



**Joint Committee of the CT Energy Efficiency Board and the
Connecticut Green Bank Board of Directors**

**Public Utilities Regulatory Authority
10 Franklin Square, New Britain, CT 06051**

**Wednesday, October 17, 2018
1:30-3:30 p.m.**

MINUTES¹

In Attendance

Voting Members: Eric Brown, Diane Duva, Amanda Fargo-Johnson (by phone), John Harrity

Non-Voting Members: Ron Araujo, Bryan Garcia, Pat McDonnell

Others: Stephen Bruno, Jane Bugbee-Leno, Anthony Clark, Craig Diamond (by phone), Julia Dumaine, Mackey Dykes, Maritza Estremera, Brian Farnen, Taren O'Connor (by phone), Kerry O'Neill (by phone), Gentiano Parragjati, Madelyn Priest, Ellen Rosenthal, Larry Rush, Jeff Schlegel (by phone), Eric Shrago (by phone), Kim Stevenson, Brian Sullivan (by phone), Donna Wells, Nick Zuba (by phone)

1. Call to Order

Eric Brown called the meeting to order at 1:36pm.

2. Public Comments

None

3. Review and approval of Meeting Minutes for July 18, 2018 meeting

Motion to approve minutes made by Ms. Fargo-Johnson

2nd by Ms. Duva

Approved Unanimously

4. Combined Metrics – Working Group Recommendations

- Mr. Garcia and Ms. Duva to tag team on presenting the metric recommendations - They thanked the team who assisted in coordinating these recommendations
- There were two tasks this team was assigned at the last meeting:
 - Identify the combined metrics of the EEB and CGB
 - Determine what metrics best represent both organizations and present a fact sheet of said metrics for communicating to legislature and public
- Recommended Metrics Include:
 - A focus of the jobs created by both organizations
 - Contributions to the GSP of Connecticut
 - Avoided energy costs – need to put in simpler, laymans terms
 - Greenhouse gas reductions
 - Public health improvements
 - Increased tax revenue to the State of Connecticut
 - Total investment and leverage for investments
 - Number of Connecticut customers/consumers impacted

Comments made during the presentation of these Metrics:

- Mr. Schlegel mentioned still working on Power Plant equivalent as it relates to avoided energy costs
- Mr. Shrago Increase in Income Tax created as a result of the work of these organizations
- Mr. Brown requested the establishment of Renewable Portfolio Standards (RPS) – he would like to see the efficiency standards of green house gas and RPS and add those to the metrics either in comparison to other states or even to our own standards
- Mr. Brown also asked Is RPS in non-compliance? What is the cost to meet compliance?
- Mr. Harrity related that this information should be spelled out in the significance of the work being done with the metrics to prove the worth of these organizations—also in comparison to other state’s green initiative programs – Mr. Brown added that we should show how EEB and CGB are working closely together to achieve the same goals and the metrics should reflect that combined value
- Mr. Garcia gave a recap of the metrics and stated that both organizations have forward looking plans to communicate how these metrics affect the combined future efforts of both EEB and CGB
- Mr. Bruno stated both organizations should review these metrics in the same manner each time deriving a standard or apples-to-apples assessment

- Mr. Bruno also suggested the outstanding metric issues include an overall level of investment data—collection and investment data—rather than just incentive measures, calculating the entire project cost to include the entire investment – Mr. Araujo Referred to incremental incentives; to identify additional cost savings, identify items of savings that customers may not need to replace at same time as other efficiency installations - Mr. Bruno voiced a concern to ensure there is not a double count of customer savings
- Mr. Garcia stated the Department of Energy (DOE) number of savings should be considered; the State of Massachusetts (MA) does a yearly study on this and asked if the Joint Cmte should consider doing a joint study to determine savings? Mr. Harrity recommended looking at the difference between the Massachusetts study and federal [guidelines?] to see if it makes sense for DEEP & CGB to commission a study – it was further recommended that there be a review of potentially how EEB & CGB would use the information from such study so the legislature would not state a misuse or unintended use of the data compiled
- Per Mr. Garcia; the DOE report may show different data than the federal report and he suggested a review against the MA costs for their study to determine if we should go forward – Mr. Schagel also suggested the work up of a pro/con list to determine if it would be beneficial to the State of CT; summarize to see if study should be commissioned after a review of the MA costs – Mr. Garcia will work on this review with the team who put the initial metrics together
- Further discussion included EEB & CGB ensure the utilization of the metrics would be utilized to enhance the information provided in the study; Mr. Brown wants to ensure is resonates with [the organizations] focus [on metrics]; Mr. Garcia stated the team would focus on getting the proper narrative
- Ms. Fargo-Johnson asked about the inclusiveness of the leveraging component; incentives to amount of income on projects; Mr. Garcia declared the need to ensure definitions are common; Mr. Bruno stated whichever makes the most sense for projects; and Mr. Brown wants common terminology to ensure everyone is on the same page
- Conclusion; decision is to complete a comparison of the State of MA, DOE report, potentially include other parameters (direct/indirect) while looking at entire supply chain of projects
- Finally, Ms. Fargo-Johnson asked if we can look at other job studies in other States? Ms. Duva responded that Cmte can review a Rhode Island report as MA and RI used the same vendor

5. Sector Working Group Reports – Metric Recommendations

a. Brief Report: C&I – Small and Medium/Large Business - Metrics

- Mr. Dykes presented a review of Incentive Programs and Industrial Goals
- CGB reviewing financing goals with a look at; number of loans, incentives, other financiers, overlap of utility programs; combined projects and programs available to work on bringing customers the best options for enhancing their project experience
- Mr. Bruno cited there are metrics used to measure experiences on the energy efficiency plant filing
- Mr. Brown asked how are we measuring? Whereupon Mr. Dykes and Mr. Bruno suggested a survey of customers could be completed to make a determination of measuring our overall performance – Mr. Brown would like that to include surveying customers whether or not they decided to move forward with a project in order to determine all aspects of service – Mr. Bruno stated survey going forward and Mr. Dykes will survey CPACE customers and they will ensure no duplication of mailings
- Mr. Harrity suggested the survey results should help customers figure out how to proceed with energy cost saving items so they can move forward with project(s)
- Mr. Dykes revealed that they are narrowing and establishing overlap of metrics for the purpose of notifying clients of any misconceptions – Mr. Brown voiced concern that it may take awhile for customers to move forward—that history is a factor; if process was easy in past it would be easy now—if it was hard in past (whether easier now), perception is the rule and it may be difficult to convince prospective clients otherwise
- Conclusion: Willing to spend funds on survey to determine what customers to help or what market to focus on

b. Brief Report: C&I – Government – Metrics

- Ms. Rosenthal stated non-participants of past survey results were mostly utilized to determine awareness—meaning if there were different circumstances, would there be different results – She recommends checking on the small business side for vendors and determine what [feedback] they are asking their customers – Mr. Brown wants to ensure we do not overdue surveys – Mr. Clark declared that

proper questions should be determined for financing concerns to ensure the proper data is obtained in survey

- There are state and municipal projects (not so much federal) which we may not receive the most efficient survey participation – keeping in mind the size of a project matters
- Mr. Dykes stated we should determine how many are government projects, what is the gap in obtaining other projects and determine how to fill that gap
- Mr. Bruno referred to available financing; there is alternative financing available but interest rates can be high; there is some funding through banks and utilities; looking forward to muni recap coming through – It was mentioned that municipal bonding is still a financing issue
- Mr. Brown specified his concern to determine how we are under-performing in this area

c. Brief Report: –Residential – Single Family Metrics

- Mr. Araujo presented single-family home metrics and voiced challenges regarding these residential homes; there are Home Equity Solutions (HES); but how to get energy assessments and be able to implement funding and finance projects
- Per Ms. Priest, the higher income eligibility removes barriers to finance; older residences with issues of mold, asbestos, historic and out-of-date wiring can prevent project financing; need to remove those barriers to move projects forward
- Ms. Priest spoke of coordinating diversity of the loans in order to move projects with barriers forward; need to review entire project for health and safety measures; work on recording all project information so transparency for all to see
- Ms. O’Neill - Want to weatherize single family homes but so many homes built before 1980 and the challenge is to find financing—despite barriers—to help project progress beyond the initial inspections
- Ms. O’Neill suggesting that a review is made on those projects that are able to get thru current project funding then measure others that are not; look to unlock barriers from the Department of Health to get project(s) moving forward – Mr. Araujo stated that some funding can be used for remediation of barriers but also may not be enough money to remediate issues of concern – Ms. O’Neill is working with other resources with an overlap to get remediation work done on these project(s)

- Per Mr. Bruno there is lots of data to work with; 3-4 years of collection – Mr. Araujo further stated that barriers were previously not measured but will be going forward

d. Brief Report: –Residential – Multifamily Metrics

- Ms. Stevenson presented the joint multifamily goals and metrics and stated the goal is meeting gaps in the market. One goal includes reviewing the split incentive issue related to properties with owner paid utilities vs tenant paid utilities and how to address financing for these sectors;
- She noted that CHFA and DOH have increased incentive points for high energy performance and passive house construction in the highly competitive 9% low income housing tax credit (LIHTC) program. This means that all affordable housing projects funded through this program will meet cutting edge energy performance standards. This program is helping to catalyze growth of the high performance building sector in CT.
- The most pressing issue is structural misalignments between the CGB and the utility companies Re: the incentive programs having commonality between CGB and the utility companies
- Mr. Garcia recommends pursuing a joint pilot program to help explore and address these multi-family issues – Ms. Duva noted there is a meeting on Nov. 15 from 10am-12pm in New Britain re: utility cost tests.
- Mr. Brown asked what are the most challenging issues [between CGB and utilities]? Mr. Araujo confirmed there are some differences but both CGB and utility reps are working to find commonality and determine how to move forward in deficiencies – Mr. Brown asked if dialogue was open and good? Ms. Stevenson responded that there has been some “flowery” dialogue but that all parties are still at the table and putting their issues on the table for discussion – Mr. Brown concerned that all parties are still working together on the common goal and Ms. Stevenson confirmed that discussions are not personal and team continues to work to determine how to resolve ‘structural’ issues to which Mr. Araujo agreed – Mr. Brown offered all the help that team may need
- Ms. Stevenson open to Mr. Garcia’s pilot suggestion and will need to work on it; CGB trying to work on expanding goal of financing for these projects as some take several years thru approval process
- An instance of misalignment is in timing; Utilities work to get something done quickly and CGB works at longer-term projects – pilot program may work to see how this can be resolved – Budget cuts, housing in not so good shape but with CGB projects it could help these multi-family homeowners with repair, efficiency and energy issues - CGB asking utility companies to do more than they normally would on these types of projects

- Mr. Brown pleased that team continues to work together and offered help to the group regarding incentive changes or other challenges – Ms. Stevenson and Mr. Araujo agree that they are still discussing and will bring issues to the joint cmte
- Ms. Stevenson also related that they are working together to bring new metrics up to date – again concerned with leverage ratios (for CGB financed projects only) as others are financed elsewhere – team would like to have more information about other financed projects – noted that 80% of CGB finance projects are initiated from property owners; 20% come through contractors. These numbers are reversed for the utility companies, where contractors are the primary source of new projects.
- Mr. Harrity asked that inclusive prosperity be shared to reach those people who would not be able to have these changes if not for [the availability of] these programs; tell stories of improvements – Mr. Araujo added that success stories have been included in prior legislative reports

Mr. Brown voiced his appreciation for the hard work everyone put in to the common metrics and Mr. Garcia stated that this was what everyone was working on all summer – Mr. Harrity shared that the recent climate change report is out and it is up on DEEP’s website; He has always felt an urgency for this work and when and where there is non-important reports in the news, we should be laser-focused to complete this work

6. Issues for Resolution

None

7. Adjourn

Motion to adjourn meeting made by John Harrity

2nd by Mr. Brown

Approved Unanimously

Eric Brown adjourned the meeting at 3:08pm

Respectfully Submitted,

Eric Brown, Chairperson