



MINUTES

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

Wednesday, December 21, 2022
1:30 - 3:00 p.m.

In Attendance

Voting Members: John Harrity, Melissa Kops, Lonnie Reed, Brenda Watson, Claire Sickinger, Victoria Hackett (DEEP)

Non-Voting Members: Stephen Bruno, Brian Farnen, Bryan Garcia

Members Absent: John Viglione

Others: Mackey Dykes, Richard Faesy, Cheryl Lumpkin, Shubhada Kambli, Ralph Mesite, Madeline Priest, Larry Rush, Ariel Schneider, Stacy Sherwood

Unnamed Callers: 01

1. Call to Order
 - Brenda Watson called the meeting to order at 1:34 pm.
2. Public Comments
 - None

Brenda Watson introduced Melissa Kops as a new member of the Joint Committee.

3. Review and approval of Meeting Minutes from the September 21, 2022 meeting.

Resolution #1

Motion to approve the meeting minutes of the Joint Committee for September 21, 2022.

Upon a motion made by Victoria Hackett and seconded by John Harrity, the Joint Committee voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

4. Joint Committee – Regular Meeting Schedule for 2023

- Bryan Garcia reviewed the schedule which is March 22, June 21, September 27, and December 20 for 2023.

Resolution #2

Motion to approve the regular meeting schedule of the Joint Committee for 2023.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Joint Committee voted to approve Resolution 2. None opposed or abstained. Motion approved.

5. Clean Energy Jobs Report 2022 – Update

- Bryan Garcia gave an update to the report for 2022 which has a timeline to be deliverable in 1-2 months for the 2021 data, with an additional 1-2 months required to include data from 2022 once the USEER data is available.
 - John Harrity asked if press will be notified once the report is released and Bryan Garcia stated a press release and webinar is typically held.
 - Brenda Watson asked if the report can be used as a means to present at the upcoming CT Energy Conference and Expo in October. Bryan Garcia agreed and offered some panel ideas.
 - Melissa Kops asked if there are any reports that are future-oriented since this report looks back. Victoria Hackett responded that coordination on the narrative for the report would help and that DEEP can assist in making sure all opportunities available are being leveraged to benefit Connecticut. Bryan Garcia stated that OWS may be able to look at the last 2 years of reports and reflect back on how its tone could change, given their perspective, and apply those changes to the 2023 report.
 - Melissa Kops asked if there are any equity metrics involved in this report and Brenda Watson responded that yes, especially in reflection of previous reports. Victoria Hackett suggested highlighting the program that has been running to increase equitable workforce development.

6. Plan Coordination

- a. Input to FY 2023 Connecticut Green Bank Comprehensive Plan (Revisions)
- Bryan Garcia updated the progress to the Green Bank Comprehensive Plan. The Green Bank continues its transition in several ways including for Energy Storage Solutions, Residential Renewable Energy Solutions (i.e., affordable housing), Environmental Infrastructure, and more. He summarized the creation of the Environmental Infrastructure Fund which separates out funds for it from what is meant to be used for clean energy and from the Regional Greenhouse Gas Initiative proceeds. He then discussed the \$27 billion Greenhouse Gas Reduction Fund which was created within the Inflation Reduction Act and then the recent Public Comment and Engagement period for the EPA.
 - Brenda Watson asked if the timing for the funding distribution is known. Bryan Garcia responded that the language within the IRA speaks to the EPA releasing funding 180 days after the signing of the Act, so the anticipation is mid to late February 2023 for solicitations, but the exact timing is not currently known.

Victoria Hackett added DEEP also added comments in coordination with the Green Bank and highlighted some of the points mentioned.

- John Harrity asked if the State passed enabling legislation to broaden the Green Bank's mandate to encompass the new areas of concentration but didn't allocate any funds for it. Bryan Garcia responded that yes, that is correct, but at the time the Green Bank was pushing for the expansion to be passed at the federal level for funds to come to Connecticut. He elaborated more on the funding sources currently available and future opportunities, including potential contracts that will become available in 2024 through the Greenhouse Gas Reduction Fund.
- Melissa Kops asked who is eligible to apply to the Green House Gas Reduction Fund. Bryan Garcia answered that the Zero Emissions Technologies part of the bill focuses on Low Income and Disadvantaged Communities focuses on states, municipalities, tribes, and other eligible entities which is complicated as it is a specific definition but broadly includes non-profits. Most of the debate is focused on the National Climate Band Provisions because of views if recipients should be a single or multiple climate banks and financial institutions.

b. 2022-2024 Conservation and Load Management Plan

- Stephen Bruno gave an update to the 2022-2024 Plan. DEEP provided Conditions of Approval in response to what was filed on November 1, 2022. He reviewed the responses to the Conditions of Approval then summarized the 2023 Decarbonization efforts including the inclusion of new technologies to the Capital 4 Change savings calculator to promote those technologies. He reviewed the 2023 Approved Prescriptive Retrofit Incentives and 2023 2023 Approved New Construction Incentives. In terms of 2022 reports, the 2022 Annual Legislative Report is being drafted with a planned filing by March 1, 2023 and work is being done with the Green Bank for the 2022 CT Clean Industry Energy Report.
 - Brenda Watson asked if moving forward, more definition could be included for "per ton" for everyday users. Stephen Bruno agreed.

7. Opportunities and Challenges

a. Healthy Housing

- Bryan Garcia summarized the Healthy Housing opportunity history including overviews at the State and Federal levels for incentives. He discussed the efforts being made to help customers navigate the "incentive maze" to realize as many opportunities as possible for Connecticut to receive funding and reach deployment targets. He presented Affordable Housing as a use case, addressing key points such as state and federal properties, energy efficiency, renewable incentives, storage, EV recharging, and financing products.
 - Brenda Watson asked if in addition to the State Incentives for storage, are customers eligible for an additional 50% tax credit. Bryan Garcia answered that yes, typically State incentives are applied first then whatever is remaining is applied to the Federal tax credit at the 50% rate (i.e., tax credit plus adders – low income, energy communities). However, each of the use cases will require more research to determine the most economic proposition. He stated he believes nearly all clean energy projects will have positive economic conditions, but the challenge is to make the process easy for consumers to act and take advantage of those options. Victoria Hackett added that navigating the maze will be difficult

but there is also a need to understand how to best leverage the existing programs to unlock the federal funding and possibly redirect some program money to best distribute it to benefit all programs. She stated DEEP is also internally developing lists of all programs available to LMI customers to reduce concerns about shifting energy systems to maximize benefits, as that can change what becomes available to them, and that there is a need to take a holistic approach.

- Richard Faesy commented there is a need to make a communication path to be able to present a “One Stop Shop” to customers, developers, and contractors. He asked is there is an opportunity here to develop a web platform to do so. Victoria Hackett responded there is the Energize CT platform which does include information beyond what the EEB and CL&M funds, so leveraging that existing platform makes sense. Other tools may be needed for contractors to determine eligibility for customers at a glance which could be added. Brenda Watson noted the difficulty to understand things as an everyday consumer and so there is a plan for a webinar series for providers. She noted an example from Michigan for those seeking LIHEAP assistance to then apply for other forms of assistance.
- Melissa Kops noted some municipalities that are not officially “distressed” but have high populations below the poverty level, such as New Haven, may not be eligible for benefits and may need closer examination. Victoria Hackett agreed to flag that topic to advocate for. Bryan Garcia commented some clarification of the PURA ruling may be needed then expanded on a part of it that may make them eligible because of previous participation in affordable housing programs. There is some flexibility beyond census tracks.
- John Harranty asked if any of the federal funds can be used to develop an ad campaign or communications program about everything. Victoria Hackett responded that it may be possible as guidance is released and may be an opportunity to redirect some State funding once Federal funds are received.

8. Plans for the 2023 Legislative Session

- Melissa Kops discussed some priorities and plans for the upcoming legislative session for the Green Building Council. There are many organizations looking for energy transparency and move away from energy labelling to transparency for consumers and their protections. She noted the CT Green Building Council's other priorities in addition to energy transparency are an energy stretch code, buy clean low carbon state procurement, CT high performance building standards, and additional funding to HES-IE (potentially directed toward neighborhood-scale EJ interventions).
- John Harranty commented that the roundtable on Climate and Jobs is looking to introduce legislation to extend the carbon-neutral healthy air renewable energy schools in Bridgeport to become statewide.
- Victoria Hackett noted that proposals will be needed to determine how to best administer the funds from a federal energy efficiency revolving loan fund.
- John Harranty highlighted that utility rates in Connecticut will be nearly doubled soon for many residents and wanted to make sure it is addressed in future discussions. Victoria Hackett responded the increase is due to an increase in the standard service generation rate and those that are not hardship customers have the option to switch to an electric supplier, which should offer a lower rate, and that the generation rate increases every 6 months though switching providers is always possible. This increase is partly due to Connecticut’s reliance on natural gas and the war in the Ukraine and that the standard service generation rate is directly affected by world events outside of the utility

companies' control. She recognized that it does create an affordability crisis and that work is being done to address it through organizations like Operation Fuel to increase funding to help customers. Brenda Watson noted work is being done with Operation Fuel and DEEP to get assistance to customers who would not normally qualify for support. Brian Farnen added in to be skeptical of third-party suppliers due to potential customer service issues and to be thorough with research before making a decision.

9. Other Business

a. C&I – Government

- Mackey Dykes gave a brief update to the municipal and state government projects, including the resolution of a legal issue with a financing offer through the SBEA program, increased Municipal Loan terms, and that companies now have the ability to qualify Municipal Loans at an increased amount. Stephen Bruno added it is on the State to agree with the loan documents but the Green Bank has made the infrastructure to do so easy.

b. C&I – Small & Medium/Large Businesses

- Stephen Bruno gave an update to the integration of electric vehicle chargers into SBEA and Municipal loan offerings. Companies coordinating with SBEA vendors to train them on financing terms to promote more comprehensive projects and streamlining some of the financing procedures.

c. Residential – Single & Multi-Family Homes

- Ralph Mesite summarized the newest Smart-E Summer Special Offer. It resulted in 225 projects for a total of over \$5.1 million financed with a total IRB spent of \$586,572.
 - Brenda Watson asked if the rates would stay the same in 2023 and Ralph Mesite responded no, the offer expired on October 31, 2022 and will go back to the standard rate of 4.49% to 6.29% depending on the term length.
- Ralph Mesite summarized the review of heat pump projects deployed since the program's inception, the total financing of heat pump projects over time, geothermal installations financed by Smart-E by location in Connecticut, and the top 25 towns with heat pump installations. He also reviewed the installations of fossil fuel HVAC vs heat pump HVAC systems since 2013 which shows that heat pump installations have been increasing over time.
 - John Harranty asked if there is an average cost for residential heat pump installation. Ralph Mesite responded that much is dependent on house layout and size but for an approximately 2000-2500 sq ft house, it could cost \$20,000 to \$25,000 for a full conversion to a ductless mini-split system, but many factors will determine the estimate as contractors will want to properly analyze each house for what is required.
 - Melissa Kops asked if the Green Bank has an offer to move away from fossil fuels through financing offers. Bryan Garcia responded that the special offer is being consistently applied to the decarbonization wedges that the State has and is very climate-change focused (e.g., air source heat pumps, EV rechargers, battery storage).

d. Shared Clean Energy Facilities – Potential Opportunity for Additional Energy Efficiency

- Bryan Garcia summarized the Shared Clean Energy Facilities proposal updates from the last few months including the 75MW of projects procured and the PURA Final Decision which was issued on December 7, 2022. He then reviewed the Green Bank's proposal and redline edits submitted. The next SCEF annual review is in August 2023. Victoria Hackett added there is so many opportunities to coordinate on funding sources and agreed with Bryan Garcia about where to drive focus. Brenda Watson acknowledged this point, but also wanted to see continued progress on the SCEF concept proposed by the Green Bank.

e. Other Business

- None

10. Public Comments

- None.

11. Adjourn

Brenda Watson adjourned the Joint Committee Meeting at 3:08 pm.

Respectfully submitted,

Brenda Watson, Chairperson