



Meeting Minutes

Public Service Commission
 861 Silver Lake Blvd., Dover, DE 19901
 September 11, 2019
 1:00pm – 3:00pm

EEAC Members in Attendance

EEAC Member	Organization/Sector	Attendance	Proxy	Proxy Name
Robert Underwood	(Chairperson) DNREC	Absent	Yes	Edward Synoski
Emily Greene	Delaware Municipal Electric Corporation	Present	n/a	
Charles Kistler	Low-Income Sector	Present	n/a	
Cassandra T. Marshall	Residential Sector	Present	n/a	
Harris B. McDowell, III	Delaware Sustainable Energy Utility	Absent	No	
Kelly McKeown	Commercial Sector	Present	n/a	
Glenn A. Moore	Delmarva Power & Light	Absent	Yes	David Sneeringer
Mark Nielson	Delaware Electric Cooperative	Absent	No	
M.Q. Riding	Chesapeake Utilities	Present	n/a	
Alan Rogers	Manufacturing Sector	Present	n/a	
Joseph Schorah	Delaware Sustainable Energy Utility	Present	Yes	Tony DePrima
Vacant	Agricultural Sector	n/a	n/a	
Vacant	Environmental Sector	n/a	n/a	

EEAC Consultants in Attendance

Eric Belliveau; Optimal Energy, Inc.
 Adrian Caesar; Optimal Energy, Inc. (phone)
 Gretchen Calcagni; Optimal Energy, Inc.
 Mark Kravatz; Optimal Energy, Inc.
 Samuel Ross; Optimal Energy, Inc. (phone)

DNREC Staff in Attendance

Edward Synoski; Division of Climate, Coastal, and Energy
 Mark Dworkin; Division of Climate, Coastal, and Energy

Call to Order

Ed Synoski, for Chairperson Rob Underwood, called the meeting to order at 1:02 p.m.

Welcome and Introductions

Agenda

1. Council Business, Planning, and General Discussion
 - a. Vote on January, March, May, and June Council Meeting Minutes
 - b. Annual Report Update
 - c. Remarks from Director Dayna Cobb
2. Subcommittee Update: Evaluation Measurement and Verification
3. Subcommittee Update Low-Income
4. Potential Study Update
5. Discussion on 2020-2023 Statewide Energy Efficiency Program Plan Targets
6. Update on DPL Plan/Hearing
7. Program Administrator Biannual Program Snapshots
8. Public Comment
9. Next Steps/Adjournment

Council Business, Planning, and General Discussion

Synoski made some general comments including:

- Sign in sheet in the back to get on the EEAC distribution list or to make public comments
- EEAC annual report, copies on the back
- Information about the Energy Services Coalition conference found on the back table

Synoski explained that he made a mistake by including January and March minute votes on the agenda.

Synoski requested a motion to approve and invited discussion on May's meeting minutes. No discussion. MQ Riding made a motion and Kelly McKeown seconded. All approved.

Synoski requested a motion to approve and invited discussion on June's meeting minutes. Synoski made one correction: Pam Knotts (Public Service Commission Staff) indicated that contrary to the May meeting minutes, she attended the May Council meeting. No additional discussion. All approved.

Synoski announced an adjustment to the agenda. Dayna Cobb, new Director of the DNREC Division of Climate, Coastal, and Energy could not be in attendance to introduce herself, but will hopefully be joining at a future meeting

Evaluation, Measurement, and Verification (EM&V) Committee Update

Gretchen Calcagni, with the Optimal Energy consultant team, provided a summary of updates stemming from the EM&V subcommittee meeting on September 10th. Council members were provided a list of the recommended EM&V Regulation edits that will be discussed in an October phone meeting. Two annual snapshot presentations were delivered (SEU and DEMEC).

Synoski invited comments and questions regarding the EM&V Committee.

Synoski reiterated that a special October meeting will be held to discuss the EMV regs and invited all to attend by calling in.

Low-Income Committee Update

Mark Kravatz, of the consultant team, recognized Tony DePrima and the SEU team for drafting the SEU Grant Program Scope of Work (SOW).

DePrima discussed the main components of the SOW and indicated that the following weeks of work will be crucial for finalizing the Grant Program logistics. DePrima presented the Grant Program timeline to the Council. Generally, the SEU will take the remainder of 2019 to prepare for program startup. He expressed the intention to start the large-scale grants at the beginning of 2020, then subsequently rolling out small-scale community grants.

The Grant Selection Committee that selected the SEU as the fund manager will also work with the SEU to select grant recipients, per PSC order. DePrima noted that Selection Committee members must elect to continue this applicant selection work or not, which fed into his point about potentially supplementing the Selection Committee with external members;

DePrima also noted that the SEU will be hiring. He encouraged Council members to reach out to any connections who may be suitable job applicants.

Additional Comments. Charlie Kistler praised Tony for his creativity in designing the Grant Program and schedule. He also expressed getting the timeline as well as all of the PSC related logistics get figured out because there are a lot of entities patiently waiting for these funds.

DePrima made additional comments stating that the SEU board will take place within the week. He also expressed that the process for completing the contract with DPL will take place within the near future. He also shared that there will be a fund agreement established between the DE Foundation and DPL. All \$4 million will be transferred to the DE Community Foundation and will disperse funds with the approval of Glenn Moore. The Community Foundation has committed to help raise additional funds.

Potential Study Update

Eric Belliveau and Gretchen Calcagni, of the Optimal Energy Consulting Team, summarized preliminary results obtained from the Delaware Potential Study update, as well as the utility of having potential study data to inform energy efficiency program design. The last potential study conducted in Delaware was conducted in 2014, but updated load forecasts, avoided cost estimates, and sales disaggregation information (detailed breakdowns of energy consumption by different building types and end uses in each sector) have allowed for updated savings potential estimate.

Belliveau noted that the data contained in the presentation was based on maximum achievable potential, which assumes the most aggressive program scenarios. This analysis considers real barriers to convincing end users to adopt measures, non-measure costs for EE program delivery, and ramp up rates for program activity over time.

Council member Greene asked where the numbers for load forecasts and avoided costs came from. According to member Greene, the nine utilities she represents were not consulted to determine appropriate avoided costs and load forecasts. Calcagni responded that the figures included in the analysis were updates from 2014 avoided cost figures and represent statewide avoided costs and do not represent avoided costs of individual program administrators; if the avoided costs were lower than the avoided costs used in the analysis, then the savings potential could be higher. Belliveau added that the consultant team is willing to collaborate with the Program Administrators to ensure accuracy of inputs prior to finalizing potential study results.

DePrima states that the charts are valuable and helps his organization assess where to go.

Synoski found the presentation to be informative and referenced the Top 10 Saving Measures charts as particularly useful; they allow Council members, PA's, and others responsible for energy efficiency program design to clearly see what measures have the highest savings potential. Synoski also asked whether there have been changes in recommended measures due to technological innovation during the past few years. Belliveau indicated that advancements in the commercialization of some technical resources—e.g., lighting have shifted the measures of focus

when making energy efficiency plans. In addition, he said that the potential studies serve as a benchmark from which we can build up energy savings targets.

Discussion of 2020-2023 Statewide Energy Efficiency Savings Targets

Calcagni began the discussion with a summary of 2016-2019 electric savings targets and achieved savings. During this time span, achieved electric savings have fallen short of the targets; however, preliminary maximum achievable potential study results indicate there is still high savings potential in Delaware. In order to set reasonable savings targets for the 2020-2023 planning phase, Calcagni outlined two possible approaches:

1. Use the +0.3% annual ramp rate of savings targets that was used in the previous planning cycle (corresponding to 0.2% in 2020, 0.5% in 2021, and 0.8% in 2022)
2. Maintain a 1% savings goal for 2022 with a steeper ramp rate between each year (corresponding to 0.2% in 2020, 0.6% in 2021, and 1.0% in 2022)

Calcagni noted that the initial 0.2% for 2020 was a value used simply to illustrate the difference between the two approaches. Synoski emphasized that despite the huge amount of maximum achievable savings that exists, the discussion around target setting needs to be grounded in realistic approach by taking the planned numbers that come in as a starting point. DePrima believed that the first approach would be more sensible than simply matching previously set goals as in the second approach. Greene expressed agreement with DePrima's thoughts regarding the preference of the first option. Greene expressed a point regarding the importance of attributing of savings a statewide target and is an important factor to consider when making targets. DePrima suggested that a uniformed data collection system will be important to attribute funds effectively. Synoski agreed that savings attribution is a good conversation to have.

Cassandra Marshall asked how a 0.3% of sales ramp rate compared to other jurisdictions. Belliveau explained that there are a variety of ramp rates, but that 0.3% is reasonable. Marshall also asked why the planned data is not completed. Calcagni expressed that not all program administrators have provided their planned numbers. Synoski shared that the work of the EEAC is still nascent but moving forward having planned numbers is very important moving into the 2020-2022 cycle.

Delmarva Power & Light Plan/Hearing Update

D.J. Sneeringer updated the Council on Delmarva Power's energy efficiency plan. He expressed gratitude to the Public Advocate and the PSC Staff for their collaboration throughout the process. A hearing examiner settlement report was completed. A hearing is set for the next day to vote on the settlement. The program will consist of lighting, appliance recycling and behavior. An annual report will be presented to the EEAC and the PSC.

Program Administrator Biannual Program Snapshots

Gretchen Calcagni provided a short overview of the goals of providing snapshots.

Emily Greene described the progress DEMEC programs have made in the first half of 2019. Two communities (Newark and Middletown) were added to DEMEC's Efficiency Smart Program in June. She noted that this would contribute to the "hockey stick" effect, where there is an escalation in achieved savings later in the calendar year due to a spike in project completion. In addition, Greene explained that DEMEC incorporated a mechanism into contract completion that achieving savings short of the .25% savings goal that was set will result in a commensurate refund to the community. This was meant to further incentivize successful program administration and achievement of targets.

Tony DePrima outlined SEU's program achievements for the first half of 2019. He indicated that no renewable programs were included in the snapshot, nor were planned annual savings. Some programs are based on assessing building functions and providing the owners with information to find potential savings which are determined through surveys. Negative savings were achieved for Home Performance with ENERGystar (with fuel switching) because they deal in all

fuels, not just electric and natural gas. Switching from other fuels such as oil to natural gas resulted in an increase in gas use for this program. Overall, programs are “humming along.”

Public Comment

Synoski announced that no one signed up for public comment but expressed an invitation for public even if someone did not sign up.

Drew Slater provided public comment. Slater apologized for not signing up for public comment because that person was late to the meeting. Slater expressed that one of the things the Public Service Commission will consider at the DPL settlement vote is the lighting program. The program can now be reviewed at the time of the annual report to ensure cost-effectiveness. In addition, Slater made comment regarding the EM&V Committee meeting. Slater shared that they were not able to attend the EM&V Committee meeting but knows that the EM&V regulations were discussed. Slater expressed that they would like the EEAC’s attorney be mindful that all EM&V regulations update follow State law. Slater also requested that minutes for committee meetings start to be taken. Last, Slater made comments regarding collaboration and shared that email correspondence regarding the topic has been made with Rob Underwood. Slater expressed that they would like to see collaboration.

Next Steps/Adjournment

Special meeting of the EM&V Committee will be had to discuss the EM&V regulations.

The next scheduled meeting of the EEAC is set for November 13, 2019; 1:00 p.m. – 3:00 p.m. located at:
Delaware Public Service Commission
861 Silver Lake Blvd., Dover, DE 19904

To participate by phone, please call 1-877-366-0711 and enter participant code 96520857

Copies of all EEAC meeting materials may be found on DNREC’s website located at the following URL:
<https://dnrec.alpha.delaware.gov/climate-coastal-energy/efficiency/advisory-council-meetings/>

Additional comments were made by EEAC member Greene and DePrima. Greene expressed an interest in the development of an agenda item to discuss the development of a Delaware energy efficiency “roadmap.” DePrima responded by saying that a function of the SEU is to compile and share information and is interested in being the publisher of such a “roadmap.” DePrima also shared that they signed a PACE financing agreement with New Castle County.

Adjournment

Ed Synoski, for Rob Underwood, requested a motion to adjourn.

The meeting was adjourned at 3:09PM.

Attachments

- Sign in sheet