

February 3, 2016

E² Working Group Meeting Minutes

The E² Working Group meeting was held in the 19thFloor Hearing Room at 3 Empire State Plaza and via conference call. The following organizations participated in person or via conference call.

E² Working Group Members	Ex-Officio Participants
	PSEGLI
Con Edison	NYISO
DPS	
National Grid	
NYSEG	Parties
NYSERDA	
Orange and Rockland	
RG&E	

1. Introductions.

2. Tariff Language

Staff reviewed the suggested language that was included in the meeting materials and explained that the purpose of the suggested language is to promote consistency in the SBC tariffs across companies.

Staff stated that the CEF and EE Tracker will both be included in the SBC and will be filed on an annual basis to be effective on January 1. In addition, Staff explained the CEF rate will collect funds for NYSERDA programs and the EE tracker rate will collect for the utility programs. Staff clarified the CEF rate will include any over/under collections for company-run EEPS programs.

Staff noted that the EE Tracker rate will include a reconciliation for interest while, the CEF rate will not.

Staff will reach out to utility contacts to set up meetings to discuss the tariff language and utility-specific issues.

Staff offered that utilities may send a draft version of the tariff for Staff review prior to filing.

2016 CEF Collections

Staff noted Appendix J of the order is incorrect as is the version that was sent out with the meeting materials. Staff stated that it will send out a final revised table to E² members prior to the official issuance of an errata.

Staff highlighted that RPS will now be collected through the SBC and explained that the three month pre-collection for RPS will be aligned with the other surcharges (EEPS 2, SBC IV, CEF) to be collected on a calendar year basis.

Legacy Exemptions Clarification

Staff clarified any exemptions to the SBC Surcharge should be maintained including those that were granted as part of long-term negotiated contracts. However, customers that do not have

negotiated contracts or were not explicitly exempted should be paying a surcharge even if it appears that they do not have a program available to them.

3. Subcommittee Updates

- **EEPS II Wind Down Subcommittee**

Staff sent out an audit plan that requires sign-off from the Subcommittee. Once dates are obtained from NYSERDA, the document will be resent for approval prior to final posting.

- **Self Direct Subcommittee**

Action Item: Staff will schedule a meeting to discuss the method used to allocate targets to the Self-Direct Program.

4. Final ETIP Filing

Staff requested input regarding the final ETIP filing, but proposed March 1, 2016. Certain companies expressed concern with the March 1 date, stating that significant changes need to be made. Staff requested that utilities send Staff an email with a reasonable submittal date by COB on Wednesday February 10, 2016.

Staff suggested that utilities incorporate some of the responses to Staff IRs where the response clarified issues or provided additional detail regarding the transition from “business as usual” to more REV-like efforts.

Action Item: Utilities to send Staff an ETIP submittal date by February 10, 2016.

5. Program Cycle – Annual ETIP Timeline

Utilities expressed concern regarding the challenges of meeting the EM&V milestone in the current Program Cycle schedule and specifically noted that EM&V activities, especially those associated with summer measures, would not be completed by the September deadline. A request was made to move the EM&V due date from September to November 1 or 15 to allow for a fully vetted research report on summer measures that would then be able to inform the TRM for the following year.

Staff stated that concerns regarding the EM&V date in the program cycle should be brought up to the TRM Committee.

Staff clarified that it was supportive of changing the EM&V date and other dates in the program cycle but pointed out that this is a transitional year and the difficulties of meeting deadlines may not necessarily be related to the schedule itself but to fact that utilities are jumping into the new cycle.

Some utilities expressed concern regarding revising the proposed programs for the March 2016 filing in order to realign to the ordered budgets and targets and would like additional time. There is also concern with the May 1 deadline for 2017 ETIP filing date as there is not enough time to address stakeholders concerns regarding lack of innovation. Staff stated that utilities could describe the fundamental first steps of moving from status quo to REV activities. The ETIP should reflect the progression of activities.

Other Discussions

- **Clean Energy Advisory Council – CEAC**

Staff clarified the CEAC is not a renaming of the E² Working Group and that the CEAC will be a higher level group composed of utility, DPS, and NYSERDA decision makers to facilitate the level of collaboration required by the Commission.

Staff stated that, in accordance with the CEF Order, the first CEAC meeting must occur by March 21, 2016. Staff noted that the Commission has already assigned the CEAC discreet task.

Staff stated that the E² Working Group and its current subcommittees will continue to meet to tie up any loose ends.

- **General Discussions on Orders**

ETIP Order and BCA Framework Order

- In response to a question regarding whether utilities should use the Total Resource Cost (TRC) test in the 2017 ETIP, Staff recommended that utilities explore adopting some of the BCA components set forth in the BCA Framework Order in its ETIP.

Action Item: Staff will get back to utilities to clarify which BCA framework should be used in the 2017 ETIP.

New required metrics – Customer Bill Reduction, Private Investment

- Staff clarified that the new metrics required in the ETIP Order are to be collected but not currently reported. Staff suggested that the way in which these metrics are defined and measured may be a topic for the CEAC.

Action Item: Staff will discuss internally and provide the utilities with more guidance.

CEAC Formation Process

- Staff explained that it intends to develop a straw proposal of the CEAC charter and will be looking for input from the utilities and other stakeholders.

EEPS Unspent Funds

- Staff clarified that EEPS unspent funds will be frozen and may not be used for ETIP programs but noted that the ETIP Order allows utilities to roll over ETIP money from year to year.
- Staff stated that after 2017, utilities will no longer be allowed to spend EEPS funds, including evaluation funds. Staff clarified that after 2017, utilities will be expected to use ETIP funds to pay for any remaining EEPS encumbrances

EIM Technical Conference and Performance Metrics for Efficiency

- Staff stated that it appears that utilities will be incented to move energy efficiency into the DSIP and that efficiency activities done in conjunction with REV activities and DR should be included in DSIPs and incorporated into regular business practices.
- Staff recommended that utilities clearly explain the way in which EE in the ETIP is integrated with the EE, DR and DER in the DSIPs.
- Staff noted that energy efficiency by its very nature addresses peak reduction and should be treated as a resource in reducing peak demand in the utility DSIPs.

Fuel Neutrality

- Staff stated that utilities start considering ways in which they can offer programs in a more fuel neutral manner. Staff acknowledged that, while the CEF Order eliminates gas collections and sets forth certain boundaries for fuel neutrality, it is not clear if the same boundaries exist for the utilities. Staff suggested that utilities should contact Staff to begin discussions on fuel neutrality if they are thinking of applying it to programs.

6. Comments from Ex-Officio Participants and Parties

None

7. Next Meeting

The next E² Working Group meeting is scheduled for March 2, 2015 from 10:30-12:30 pm in the 3rd Floor Hearing Room. The room will be available in the afternoon for subcommittee meetings.