

# Energy Efficiency and Sustainable Energy Board RSA 125-O:5-a

# Thirteenth Annual Report

Prepared for:
The Governor
President of the New Hampshire Senate
Speaker of the New Hampshire House
Chair of the Senate Energy and Natural Resources Committee
Chair of the House Science, Technology and Energy Committee
Public Utilities Commission

December 1, 2020

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#### I. Introduction

This annual report provides an update on the activities of the Energy Efficiency and Sustainable Energy Board and its recommendations for action, pursuant to RSA 125-O:5-a IV.

### II. Background

The Energy Efficiency and Sustainable Energy Board ("EESE Board") was created by Chapter 292 of the 2008 New Hampshire Laws. The purpose of the EESE Board is, "...to promote and coordinate energy efficiency, demand response, and sustainable energy programs in the state." (RSA 125-O:5-a, I). New Hampshire must do more to promote and utilize energy efficiency and sustainable energy resources as a means to bolster the state's economy and spur business innovation, improve energy security, reduce customer costs, and protect the environment. Further, energy efficiency is cost-effective and is considered the least expensive and cleanest energy resource. These precepts form the context within which the EESE Board was established and the Board continues to serve as a convening body for stakeholders in the state's energy future.

The Chair of the Public Utilities Commission (PUC or Commission) convened the first organizational meeting of the EESE Board on October 1, 2008. Since then, the EESE Board has since met roughly nine to twelve times per year. The EESE Board is administratively attached to the PUC, which provides administrative support. The PUC hosts a comprehensive webpage for the EESE Board and other interested parties where all meeting materials and background information can be found: <a href="https://www.puc.nh.gov/EESE.htm">www.puc.nh.gov/EESE.htm</a>.

## **III. Statutory Duties**

The EESE Board's duties are broad. *See* RSA 125-O:5-a, I (a) through (j). They include, but are not limited to:

<sup>&</sup>lt;sup>1</sup> Administrative Support and Contact for the EESE Board is the PUC: (603) 271-2431, EESEBoard@puc.nh.gov.

- reviewing available energy efficiency, conservation, demand response, and sustainable energy programs and incentives and compiling a report of those resources in New Hampshire;
- developing a plan to achieve the state's energy efficiency potential for all fuels, including setting goals and targets for energy efficiency that are meaningful and achievable;
- developing a plan for economic and environmental sustainability of the state's energy system including the development of high efficiency clean energy resources that are either renewable or have low net greenhouse gas emissions;
- exploring opportunities to coordinate programs targeted at saving more than one fuel resource, including conversion to renewable resources and coordination between natural gas and other programs which seek to reduce the use of nonrenewable fuels;
- developing tools to enhance outreach and education programs to increase knowledge about energy efficiency and sustainable energy among New Hampshire residents and businesses;
- expanding upon the state government's efficiency programs to ensure that the state is
  providing leadership on energy efficiency and sustainable energy including reduction of
  its energy use and fuel costs;
- encouraging municipalities and counties to increase investments in energy efficiency and sustainable energy through financing tools, and to create local energy committees;
- working with community action agencies and the Office of Strategic Initiatives (OSI) to
  explore ways to ensure that all customers participating in programs for low-income
  customers and the Low Income Home Energy Assistance Program (LIHEAP) have
  access to energy efficiency improvements, and where appropriate, renewable energy
  resources, in order to reduce their energy bills; and
- investigating potential sources of funding for energy efficiency and sustainable energy
  development and delivery mechanisms for such programs, coordinating efforts between
  funding sources to reduce duplication and enhance collaboration, and reviewing
  investment strategies to increase access to energy efficiency and renewable energy
  resources.

# IV. Members and Public Participation

The members of the EESE Board, designated by RSA 125-O:5-a, II, include representatives of businesses, non-profit organizations and associations, legislators, state agency heads or their

designees, and consumer representatives. In addition, the Board includes several non-voting members representing electric and natural gas utilities, investment community, and businesses in relevant energy efficiency and sustainable energy industries. The members represent a wide range of interests that help inform the EESE Board's work. Members as of December 2020 are:

#### Chair:

• Madeleine Mineau – Clean Energy New Hampshire – not-for-profit appointment by PUC Chair, RSA 125-O:5-a, II (l)

#### **Voting Members:**

- Karen Cramton PUC Chair designee, RSA 125-O:5-a, II (a)
- Matthew Mailloux Office of Strategic Initiatives designee, RSA 125-O:5-a,II (b)
- D. Maurice Kreis Consumer Advocate, RSA 125-O:5-a, II (c)
- Taylor Caswell Business & Economic Affairs Commissioner, RSA 125-O:5-a,II (e)
- Tonia Chase Business and Industry Association of New Hampshire designee, RSA 125-O:5-a,II (f)
- Theresa Swanick New Hampshire Municipal Association designee, RSA 125-O:5-a, II (g)
- Raymond Burke New Hampshire Legal Assistance designee, RSA 125-O:5-a,II (h)
- Scott Emond New Hampshire Homebuilders and Remodelers Association designee, RSA 125-O:5-a, II (i)
- Representative Doug Thomas House Speaker appointment, RSA 125-O:5-a, II (j)
- Representative Robert Backus House Speaker appointment, RSA 125-O:5-a II (j)
- Senator Martha Fuller-Clark Senate President appointment, RSA 125-O:5-a, II (k)
- Ryan Clouthier, Southern New Hampshire Services, Inc. not-for-profit appointment by PUC Chair, RSA 125-O:5-a, II, (1)
- Rebecca Ohler Department of Environmental Services designee, RSA 125-O:5-a, II (d)
- Bruce Clendenning The Nature Conservancy, not-for-profit appointment by PUC Chair RSA 125-O:5-a, II (l)
- Donald Perrin Department of Administrative Services designee, RSA 125-O:5-a, II (m)

- Marc Prindiville State Fire Marshal designee, RSA 125-O:5-a, II (n)
- Ben Frost –New Hampshire Housing Finance Authority designee RSA 125-O:5-a, II (o)

#### **Non-Voting Members:**

- Cindy Carroll, Unitil/Northern Utilities utility appointment by PUC Chair, RSA 125-O:5-a, III (a)
- Eric Stanley, Liberty Utilities utility appointment by PUC Chair, RSA 125-O:5-a, III (a)
- Carol Woods, New Hampshire Electric Cooperative utility appointment by PUC Chair, RSA 125-O:5-a, III (a)
- Kate Peters, Eversource Energy utility appointment by PUC Chair, RSA 125-O:5-a, III (a)
- Matthew Siska, GDS Associates, Inc., energy services companies delivering energy efficiency services to residential and business customers, appointment by PUC Chair, RSA 125-O:5-a, III (b)
- Michael Behrmann, Revolution Energy, LLC renewable energy business appointment by PUC Chair, RSA 125-O:5-a, III (c)
- Scott Maslansky, New Hampshire Community Development Finance Authority– PUC Chair investment community appointment by Chair, RSA 125-O:5-a, III (d)

Since its inception, the EESE Board has appreciated and encouraged attendance and participation of the public at its meetings. Business, municipal, and nonprofit leaders, and other stakeholders regularly attend the EESE Board's monthly meetings and are encouraged to bring relevant energy experience to the EESE Board's discussions. In all, roughly 100 people are on the EESE Board's email distribution list, not including EESE Board members. The EESE Board recognizes that energy consumers, business leaders, municipal officials, energy efficiency and sustainable energy professionals, and other concerned members of the public and private sectors are all crucial to achieving our state's energy goals.

## V. Description of 2020 Activities

The EESE Board met ten times in 2020, in the months of January, February, April, May, July, August, September, October, November and December. Meeting agendas, minutes, presentations, and other materials from all of the EESE Board's meetings can be found on the PUC's EESE Board webpage: www.puc.nh.gov/EESE.htm.

#### **Committees**

The EESE Board uses a committee structure to meet its broad statutory goals, which enables work between EESE Board meetings and provides opportunities for participation in that work from both EESE Board members and non-members. The EESE Board has three standing committees, including: the Energy Efficiency Resource Standard (EERS) Committee, the Outreach and Education (O&E) Committee, and the Legislative Monitoring Committee. The O&E and Legislative committees meet and support EESE Board work as needed. During 2020, no requests were made of the O&E Committee. The Legislative Monitoring Committee provided legislative tracking and monthly updates to the Board January through July.

#### **Energy Efficiency Resource Standard (EERS) Committee**

The EERS Committee was re-commissioned by the EESE Board after the PUC issued Order No. 25,932<sup>2</sup> (2016 Order) approving the EERS in August 2016. The 2016 Order created a framework in which the state's four electric utilities (Eversource Energy, Liberty Utilities, New Hampshire Electric Cooperative, and Unitil) would administer the programs (a role they have consistently played since the advent of ratepayer-funded energy efficiency programs) pursuant to a three-year plan covering the calendar years 2018 through 2020. A key element of the 2016 Order called for the EESE Board to serve as an enhanced stakeholder advisory board, whose objective would be to seek consensus on programmatic issues and thus reduce, if not eliminate, the need to

<sup>&</sup>lt;sup>2</sup> Available at <a href="http://www.puc.nh.gov/Regulatory/Orders/2016orders/25932e.pdf">http://www.puc.nh.gov/Regulatory/Orders/2016orders/25932e.pdf</a>.

litigate issues related to the EERS before the PUC. The EESE Board, in turn, designated its EERS Committee as the forum that would conduct the bulk of the necessary legwork in the first instance.

In 2019, Don Kreis was appointed the chair of the EERS Committee. The Committee met sixteen times in 2020, with the focus of those meetings on providing input relative to the second EERS triennium (2021-2023).

At the January 6, 2020 meeting, the Committee decided on public comment deadlines for the 2021-2023 EERS Plan, and had a presentation and corresponding discussion on the revised guiding principles for EERS Plan development. At the January 13, 2020 meeting, the Committee had a presentation from VEIC and subsequent discussion on the energy efficiency resource standard planning, reporting, and budget processes in other New England states and recommendations for New Hampshire. The Committee also discussed program administration models, lost revenue recovery, and utility planning scenarios.

At the February 3, 2020 meeting, the discussion on utility planning scenarios continued and the program administrators gave a presentation on the proposed three-year plan and budget process. At the February 10, 2020 meeting, the Committee heard from VEIC, which provided a review of where the EERS Committee is in the process of developing the 2021-2023 Plan. The Committee also provided input and discussion on policy topics to guide utility planning.

At the March 2, 2020 meeting, the Evaluation, Measurement and Verification Working Group provided a report on additional issues identified by the Benefit-Cost Working Group and the Committee received a presentation from VEIC on the NHSaves program updates. At the March 16, 2020 meeting, the Committee discussed how cost-effectiveness is determined in New Hampshire under the new Granite State Test and discussed advanced demand management, energy optimization, and pilots for the 2021-2023 Plan.

At the April 6, 2020 meeting, the program administrators gave a presentation, in the context of the COVID-19 pandemic, on the first draft of the 2021-2023 EERS Plan that was delivered to the EERS Committee on April 1, 2020. VEIC also presented on key aspects of the plan. At the April 20, 2020 meeting of the EERS Committee, VEIC gave a presentation on the April 1st Draft of the 2021-2023 EERS Plan and the Committee agreed to a revised EERS planning schedule, which included an opportunity for the program administrators to provide a second full draft of the Plan to accommodate for the challenges presented by the COVID-19 pandemic.

At the May 4, 2020 meeting, the Committee received comments from EERS Members and VEIC on the April 1<sup>st</sup> Draft Plan and discussed issues related to codes and standards, the impact of the COVID-19 pandemic on the Plan, and budgeting concerns. At the May 18, 2020 meeting, the Committee discussed cost to achieve savings, amortization, active demand reduction, and approaches to COVID-19 and EERS Plan development.

At the June 1, 2020 meeting, the program administrators gave a presentation on key topics for the July 1<sup>st</sup> second draft plan and the Committee discussed the inclusion of electric vehicles in active demand reduction initiatives. At the June 15, 2020 meeting, members of the Committee discussed and attempted to reach consensus on broad goals of the 2021-2023 Plan.

At the July 13, 2020 meeting, the program administrators provided a presentation on the July 1<sup>st</sup> second draft of the EERS Plan and the marketing plan for NHSaves. The Committee also took public comment. Finally, Chris Skoglund from NHDES presented on potential codes and standards programs for the New Hampshire EERS plan. At the July 20, 2020 meeting, the Committee received a presentation from VEIC on the high-level goals of the Plan and took Committee member comments on the Plan.

At the August 3, 2020 meeting, the Committee reviewed the energy efficiency potential study and received a presentation from the New Hampshire utilities on potential changes to the

Draft Plan. At the August 10, 2020 meeting, the EERS Committee members voted on whether or not they broadly supported the Draft 2021-2023 Plan and reviewed the next steps for the Plan.

The EERS Committee did not meeting in September, October, November, or December of 2020 because the Plan was completed and submitted to the PUC.

Meeting agendas, minutes, presentations, and other materials from all of the EERS Committee's meetings can be found on the PUC's EESE Board webpage: https://www.puc.nh.gov/EESE%20Board/CommitteeMeetings.html

#### **EESE Board Meetings and Presentations**

The EESE Board frequently solicits presentations from projects and programs relevant to issues of interest to the EESE Board. During 2020, the EESE Board heard updates from several existing New Hampshire programs, as well as presentations from outside experts on energy initiatives and policy.

- ▶ January: Nominations for Chair and Vice Chair were held at the December 2019 meeting and a vote was held at the January 2020 meeting. Dianne Martin, the new Chairwoman of the Public Utilities Commission, attended the meeting. There was a presentation given by Nathan Peabody of University of New Hampshire on the Adoption of Green Fleets Economic and Environmental Life Cycle Assessment of Electric Vehicles in New England. The Board reviewed and approved the 2019 Annual EESE Board Report. There was a discussion about House Bill 1445, adding a building scientist to the Building Code Review Board.
- February: Several House energy bills were discussed. Don Kreis, Chair of the EERS Committee provided an update on the EERS planning process and timeline of target dates and plan goals. The Board discussed proposed presentation topics for the upcoming year.

- ➤ March: The meeting was canceled due to the Covid-19 pandemic.
- ➤ <u>April:</u> The Board conducted its first virtual meeting via WebEx. Kate Epsen from ISO-New England presented a regional and New Hampshire update. The presentation included information on the regional wholesale electricity market, demand forecasts, and the forward capacity auction held on February 3, 2020.
- ➤ May: There was a presentation and discussion of Covid-19 pandemic effects on energy efficiency and sustainable energy industries and programs in New Hampshire. Presenters included Kate Peters of Eversource, Dana Nute of Resilient Buildings Group, and Dan Clapp of ReVision Energy. Topics discussed were the impact on jobs in the clean energy sector, considerations for economic recovery, and recommendations for policies and programs.
- **June:** No meeting.
- ➤ <u>July:</u> There was a presentation on Community Power Aggregation given by Henry Herndon from Clean Energy New Hampshire. Community Power Aggregation is a policy enabling municipalities procure their own wholesale power and manage their own electricity portfolio.
- August: There was a presentation on the EERS Plan given by Kate Peters of Eversource and Don Kreis, Chair of the EERS Committee. The presentation covered the plan's priorities for the next three years and a summary of the current three-year plan.
- ➤ <u>September:</u> At the September meeting, there were continued discussions about the EERS Committee and its future planning process structure. There was an update on the ISO-New England given by Kate Epsen.
- October: There was a presentation of Policy and Economic Benefits for Pay-for Performance Battery Programs in State Energy Efficiency Plans given by Todd Olinsky-

Paul, Project Director at Clean Energy Group. The Storage Performance draft plan is presented in the EERS 2021-2023 plan and is modeled after the Connected Solutions program in Massachusetts. The Board also discussed presenting a recommendation to the Public Utilities Commission in Docket 20-092 (EERS docket) regarding a planning timeline for 2024 and beyond.

November: There was no presentation at the November meeting. The Board reviewed and discussed a draft of this report, discussed leadership positions for 2021, and reviewed the EESE Board governance document.

**December:** TBD

#### VI. Conclusion

The EESE Board has endeavored to be a forum for collaboration and information sharing, and to assist the state in the development of a comprehensive approach to energy cost savings, clean energy jobs, and a stronger and more secure energy future for New Hampshire. In addition to the main discussion items and presentations, at each meeting there is an opportunity for updates on state programs, policy items, and activities. All attendees are welcome to share updates on issues where they have particular knowledge or interest. Through these updates members remain informed about a wide range of energy-related policy and program topics, including the status of grant and financing programs, implementation of projects, events, and policy issues such as building codes, net metering, the state's Renewable Portfolio Standard, the Regional Greenhouse Gas Initiative, and budgets.

The EESE Board appreciates the engagement and immense time contribution of so many interested parties, including its volunteer members, non-voting participants, and many other public and private stakeholders. This contribution by so many participants in support of dialogue, inquiry,

analysis and sharing of ideas has created a unique opportunity for the state to draw on a wide variety of experience and knowledge as it navigates the next steps to move its energy efficiency and sustainable energy agenda forward. To focus its efforts in 2021, the EESE Board hopes to develop a list of priorities that will be updated annually as needed. The priorities for 2021 will likely include continuing EESE Board monitoring of the adoption of updated international energy codes by the State and providing comment on updated energy codes when and where feasible; providing ongoing input into the annual review and updates to the 2021-2023 Statewide Energy Efficiency Resource Standard Plan, and to continuing to engage with programs and entities throughout the state engaged in energy efficiency and renewable energy.

The EESE Board looks forward to continuing its role as an "enhanced stakeholder board" in the development and evaluation of the Energy Efficiency Resource Standard. *See Gas and Electric Utilities*, DE 17-136, Order No. 26,095 at 15-16 (January 2, 2018); *Gas and Electric Utilities*, DE 15-137, Order No. 25,932 at 34, 60-61 (August 2, 2016). In 2021, the Board will continue to receive updates and provide input to its designee on the Evaluation, Measurement and Verification Working Group pursuant to the Settlement Agreement approved by the Commission in DE 17-136. *See* Order No. 26,095 at 15-16 (January 2, 2018). In addition, the Board will continue to provide a forum at its monthly meetings for regular updates from the other working groups, pending the outcome of Docket No. DE 20-092 (the current EERS docket).

The Board, in conjunction with the EERS Committee, appreciated the opportunity to assist with developing recommendations for the filing of the 2021-2023 Energy Efficiency Plan. At the October meeting of the EESE Board, the Board agreed to present a letter as a recommendation from the EESE Board to the PUC in the Docket No. DE 20-092. Since the EESE Board is not an intervener in the docket, the letter will serve as a comment in the docket to the Commission.

Looking forward, the ESEE Board and EERS Committee anticipate a continued role in assisting with recommendations for future Energy Efficiency Plans.

The EESE Board looks forward to building on the knowledge gained from its previous work and helping the state to meet the next set of challenges and opportunities in energy efficiency and sustainable energy.

Respectfully Submitted, Madeleine Mineau, Chair