

**Case 07-M-0548 Energy Efficiency Portfolio Standard  
Working Group I – Overall EPS Structure  
Minutes from October 16, 2007 Working Group Meeting (10:30 a.m., NYC)**

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**Facilitator: Tariq Niazi, NYS Consumer Protection Board  
Co-Convenors: Fred Zalzman, Pace Energy Project, Saul Rigberg, DPS Staff**

**Logistics:**

- The Group agreed to hold its next meeting on October 31, 2007 in Albany commencing at 10:30 a.m.

**Deliverables for Next Meeting:**

Deliverables for the next meeting include:

- Additional comments on the criteria for Model Selection raised at the meeting are to be incorporated by Fred and sent out by October 22. Any subsequent comments, leading to finalization, are due to Peter Keane .
- The Joint Utilities representatives have agreed to reduce the structural/governance proposals submitted by the Joint Utilities, NYSERDA, New York City, NRDC, NAESCO, and DHCR into a matrix that would compare and contrast the various elements proposed.
- Comments on the draft outline/table of contents for the December 5 Report should be submitted to either Valerie or Bruce by October 22 and will be turned around again by October 26, as the Working Group moves toward finalization and writing assignments at the November 1 meeting.
- Tariq (Facilitator), Saul and Fred (Co-Convenors) will take a few outstanding issues to the Steering Committee and report back.
- Don Gilligan agreed to provide a description of the partnership model used in California.

**Minutes:**

***1. Introductions***

Approximately 35 in-person participants, several others via teleconference. ALJ Eleanor Stein was in attendance.

***2. Revised Criteria for Administrative Model Selection***

To start the group discussion, Linda Saalman ran through the “golden triangle” methodology for addressing project implementation and risk management. The group then discussed a handout entitled “Revised Criteria for Administrative Model Selection” that took into account changes that Fred had received since the last meeting. A further discussion was had between specific criteria versus more philosophical elements of model selection. Issues of accountability, incentives, penalties, possible termination of administration, and other related issues were also discussed.

### ***3 and 4. Proposals for EPS Governance Structure***

- ***NYSERDA*** – presented its version of the governance structure and several issues were raised, specifically the inclusion of municipal and customer interest groups; the overall framework; the interaction of the collaborative with other State governing bodies, collaboratives and task forces; marketing and media issues; evaluation, monitoring and verification, etc.
- ***Joint Utilities*** – presented their version of the governance structure and the discussion was furthered on the issue of the overall collaborative structure; the issue of the direct report of evaluation contractors within the overall structure of the EPS; and opportunities for coordination between the various program administrators. There was some discussion of the similarities between the JU and NYSERDA structures.
- ***New York City*** – this presentation furthered the discussion with regard to the governance structure and raised many issues with regard to the possible authority of the collaborative/advisory group and the interaction between it and the Public Service Commission.
- ***NRDC*** - the presentation of the NRDC submission centered on issues of RDMs, utility incentives and targets. The issue of environmental externalities was briefly raised. In response to questions from the group, NRDC agreed to provide calculation examples of how the incentive structure is applied in California.

### ***5. Table of Contents/Outline for Working Group Report***

A brief discussion was had on the first draft outline for the Working Group I Report due December 5. Some time was spent discussing the issue of “wedges” (i.e. the additional efforts that fall outside the jurisdiction of this proceeding). The discussion centered around whether WG I had enough information to adequately discuss these efforts in the Report; whether WG I should acknowledge these efforts by “tee-ing” up the issues in the Report; or omit reference to these efforts altogether for purposes of the Report.

Participants are to provide their comments by October 22, with a turn around by October 26, and expected finalization and assignment of writing responsibilities at the November 1 meeting.

### ***6. Agenda/Deliverables for Next Meeting***

The agenda for the November 1 meeting will include discussions of:

- EnerNoc’s attempt to merge the graphic representation of the governance structures proposed by NYSERDA and the Joint Utilities;
- a discussion of a matrix comparing each of the governance structures proposed, as depicted by the Joint Utilities;
- a discussion of any clarification received through the Steering Committee regarding issues of funding, eligible resources, etc.
- finalization of the outline/table of contents for the December 5, 2007 Working Group I Report.

### ***7. Adjourn***