

*Via Electronic Mail*

April 24, 2020

Christopher Bernard  
Manager - Regulatory Policy & Strategy, CT  
As Agent for CL&P and Yankee Gas  
doing business as Eversource Energy  
107 Selden Street  
Berlin CT 06037

**Re: Approval of Virtual Pre-Assessment Proposal - COVID-19 Contingency Planning  
Initial Action Item #5 in the 2019-2021 Conservation and Load Management Plan**

Dear Mr. Bernard:

The Connecticut Department of Energy and Environmental Protection (“DEEP”) issues the following approval, with certain modifications as described more specifically below, of Eversource Energy (“Eversource”), The United Illuminating Company (“UI”), Connecticut Natural Gas Corporation (“CNG”) and the Southern Connecticut Gas Company’s (“SCG”) (collectively, the “Utilities”) April 14, 2020 proposed measure to implement Initial Action Item #5 of the COVID-19 Contingency Planning in the 2019-2021 Conservation and Load Management Plan (“C&LM Plan”). The proposed measure relates to the virtualization of Home Energy Solutions (“HES”) and Small Business Energy Advantage (“SBEA”) visits. DEEP is committed to encouraging transparency between it, the Utilities, and the vendor community. As such, prior to releasing the instant approval, DEEP carefully considered the Utilities’ proposed measure in conjunction with the valuable input gained through that participation of vendors in the CTAC process. DEEP also reviewed and considered comments submitted in response to its April 7, 2020 Notice of Opportunity for Written Comment.

I. Brief History

In a letter on March 17, 2020<sup>1</sup>, and in response to the ongoing public health crisis caused by COVID-19, the Utilities notified DEEP that they were temporarily shutting down all in-home and on-premise activities for their contractors and staff. Recognizing the great impacts this decision would have on various stakeholders involved in C&LM Plan programming, DEEP held a special Public Input

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<sup>1</sup> Letter to DEEP Re: Conn. Energy Efficiency Programs, COVID 19 Contingency Planning, March 17, 2020, available at <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/8525797c00471adb8525852e006762b3?OpenDocument>

Session<sup>2</sup> on March 20, 2020 to discuss potential solutions to those impacts. Following that Public Input Session, the Utilities submitted a list of short-term and long-term recommended actions<sup>3</sup> to help facilitate continued activity in energy efficiency programs and customer benefits while in-home and on-premise visits remain suspended.

On March 27, 2020, DEEP approved multiple actions and changes to the C&LM Plan recommended by the Utilities in the document titled: “Initial Action Items: COVID-19 Contingency Planning in the 2019-2021 Conservation and Load Management Plan” (“Initial Action Items”)<sup>4</sup>. This document not only includes approved recommended actions, but it also provides additional action items regarding the implementation of the C&LM Plan in light of the current public health crisis caused by the COVID-19 pandemic. Initial Action Item #5, which relates to the virtualization of HES and SBEA visits, is the subject of the instant approval, with modifications.

Initial Action Item #5 approved the Utilities’ proposals to “support the virtualization of inspection processes for residential and commercial and industrial (C&I) projects.” In addition, it further directed the Utilities to provide clarification on the implementation of a virtual inspection process, including whether supplemental measurement and verification (“M&V”) is necessary prior to release of payment, how long the entire virtual process will take, and how much the virtual process will cost.

DEEP also noted in Initial Action #5 that the virtualization of any functions typically carried out by contractors should be explored through the expanded CTAC process. To that end, on April 15, 2020, DEEP held a CTAC meeting,<sup>5</sup> via webinar, where the Utilities presented on their proposal for remote home assessments for the HES program, submitted on April 14, 2020, and DEEP and members of the vendor community were able to ask clarifying questions.

In conjunction with the CTAC meeting, DEEP solicited written comments on residential programmatic changes, including remote home assessments.<sup>6</sup> More specifically, the notice requested comments on:

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<sup>2</sup> Public Input Session Agenda, March 20, 2020, *available at* [http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/efdb20fb8ed9306a8525853100516407/\\$FILE/3.20.20%20Agenda%20and%20Questions%20for%20Technical%20Meeting%20Re%20COVID-19%20Contingency%20Planning.pdf](http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/efdb20fb8ed9306a8525853100516407/$FILE/3.20.20%20Agenda%20and%20Questions%20for%20Technical%20Meeting%20Re%20COVID-19%20Contingency%20Planning.pdf)

<sup>3</sup> COVID-19 Planning Actions for Contractors and Customers, March 24, 2020, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/8525797c00471adb85258535005b17b7?OpenDocument>

<sup>4</sup> Initial Action Items: COVID-19 Contingency Planning in the 2019-2021 Conservation and Load Management Plan, March 27, 2020, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/1bea440b8dd68314852585380071a0ef?OpenDocument>

<sup>5</sup> CTAC Meeting Notice, April 15, 2020, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/03b7691bbca6c61852585490055f50a?OpenDocument>

<sup>6</sup> DEEP’s CLM COVID-19 Notice and Opportunity for Written Comment, April 7, 2020, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/0614a6f7dde27f3a8525854400b61db?OpenDocument>

- a. Remote audit programs offered by other program administrators that would utilize Home Energy Solutions (HES) contractors as part of the remote audit.
- b. Program designs that incorporate remote audits that would assist in building demand for future HES projects.
- c. Residential energy efficiency program designs that reduce the financial barriers to the installation of deeper measures not currently provided in the initial HES visit.
- d. Residential whole house energy efficiency program designs that have shown success in other areas.

Several stakeholders submitted comments to DEEP on each of these topics. Each of these comments was posted in the 2019-2021 Conservation and Load Management Plan COVID-19 Contingency Planning proceeding available on DEEP's energy filing website. DEEP reviewed these comments and incorporated them in the instant approval.

## II. Approval of Utilities' Proposed Measure and Modifications

DEEP has reviewed the Utilities' April 14 proposal and approves it with the following modifications:

1. The proposed virtual visits, which aim to improve the energy efficiency of homes and small businesses, are not intended to replace on-premise visits. Rather, DEEP believes that continuing C&LM programming through virtual visits will increase demand for on-premise visits when they are reinstated after the end of the COVID-19 pandemic crisis. As the comments of Energy Management Authority, New England Smart Energy Group, and Energy Efficiency Services highlighted, the term virtual visit may not convey to the customer that the service is meant to be followed up with an on-site visit.<sup>7</sup> DEEP agrees with the concern raised in the written comments and therefore directs the Utilities to refer to the virtual visit as a Virtual Pre-Assessment.
2. The Utilities have proposed compensating HES vendors \$171.73 for completing a Virtual Pre-Assessment based on the estimate that it will take approximately one hour to perform. The Energy Store, et al. and New England Smart Energy Group suggest in their written comments that \$275 and \$250, respectively, is a "fair and equitable" amount for compensation, however, no documentation was provided to support these suggested compensation amounts.<sup>8</sup> Therefore, DEEP approves the compensation proposed by the

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<sup>7</sup> See Energy Management Authority, April 20, 2020, at 1, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/34b115f9e3d6723c85258550006d2ca1?OpenDocument>; New England Smart Energy Group, LLC, April 20, 2020, at 1, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/47ac3799161d9e6f85258550006b78fd?OpenDocument>; Energy Efficiencies Solutions, April 17, 2020, at 1, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/f38e9e7a586d9d598525854d0053237f?OpenDocument>.

<sup>8</sup> See The Energy Store et al., April 17, 2020, at 4, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/b3194ed83c36959c8525854d004dcfc3?OpenDocument> (noting that \$275 is a "fair and equitable" amount for compensation for completing a Virtual Pre-Assessment); New England Smart Energy Group, April 20, 2020, at 2 (recommending \$250 as compensation for a Virtual Pre-Assessment).

Utilities. HES vendors, upon completing a reasonable number of Virtual Pre-Assessments, may request reconsideration by the Utilities and/or DEEP, provided that a detailed cost analysis is submitted to support the request.

3. The Energy Store, et al. suggested in their written comments that HES vendors should have the option of whether or not to offer the Virtual Pre-Assessment as a service to their customers.<sup>9</sup> DEEP agrees that offering the Virtual Pre-Assessment as a service should be optional for HES vendors. However, DEEP also recognizes that customers may be looking for immediate ways to lower their energy bills. Therefore, while providing Virtual Pre-Assessments is optional for HES vendors, DEEP directs the Utilities to maximize the number of customers who have access to Virtual Pre-Assessments. Customer energy affordability must be the primary concern of the HES program.
4. DEEP approves of the Utilities' plan to send customized efficiency kits using a centralized third-party service. DEEP concurs with the comments of Vivian Perez of HE-Energy Solutions LLC, that a centralized third-party service provides a "consistent and professional look."<sup>10</sup> The Utilities may authorize additional means of distributing efficiency kits if it is cost competitive with the centralized third-party service.
5. DEEP notes that The Energy Store et al. commented on addressing the needs of low and moderate income ("LMI") ratepayers.<sup>11</sup> These comments echo the on-going emphasis that DEEP has placed on the unique challenges of successfully engaging LMI ratepayers, including in the February 11, 2020 Approval of the Update to the 2019-2021 C&LM Plan<sup>12</sup> as well as this COVID-19 Contingency planning proceeding. DEEP recognizes and agrees with the position of Stephanie Weiner of New England Smart Energy Group, that Virtual Pre-Assessments should be extended to LMI populations.<sup>13</sup> Therefore, in light of the importance of improving energy affordability for income eligible customers, DEEP directs the Utilities to expand Virtual Pre-Assessments to the HES-IE market. As these changes to the C&LM Plan are occurring in the middle of a program year, DEEP believes that adding this service should be done in a measured manner that ensures quality control for LMI customers. DEEP also appreciates that there may be technology and internet bandwidth challenges in homes eligible for HES-IE that impedes the ability to conduct Virtual Pre-Assessments. Therefore, DEEP further directs the Utilities to pilot Virtual Pre-Assessments in homes eligible for HES-IE, and to provide updates for discussion in each CTAC meeting

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<sup>9</sup> See The Energy Store et al., April 17, 2020, at 3 ("Our current understanding is the virtual pre-assessment is being offered as an optional tool for contractors to use . . .").

<sup>10</sup> See HE-Energy Solutions LLC, April 20, 2020, at 2, available at <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/7864e1b4178e339085258550004e6204?OpenDocument>.

<sup>11</sup> See The Energy Store et al., April 17, 2020, at 1-2.

<sup>12</sup> See Approval of the Update to the 2019-2021 C&LM Plan, February 11, 2020, available at <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/16d2e80a4a780ab78525850b0057ec6a?OpenDocument>.

<sup>13</sup> See HE-Energy Solutions LLC, April 20, 2020, at 2.

on the challenges associated with offering this service to LMI customers and proposed solutions to those challenges.

6. DEEP appreciates the comments by Northeast Energy Efficiency Partnerships (“NEEP”) directing DEEP’s attention to the benefits of the Energy Estimator tool utilized by NEEP that could provide a platform for increased collaboration and info-sharing between vendors and the Utilities.<sup>14</sup> The Energy Estimator tool is designed to support both remote assessments of homes and the Home Energy Score. DEEP continues to see significant merit in the Home Energy Score, and therefore DEEP is interested in whether the Energy Estimator Tool might assist the Utilities in their Home Energy Score determinations. DEEP requests the Utilities submit a letter to DEEP evaluating the Energy Estimator tool by July 1, 2020.
7. DEEP directs the Utilities to provide further clarification at the next CTAC meeting on the issues discussed at the last CTAC meeting related to the entry of remote assessment data and its subsequent use in the on-site visit as well as any other data entry issues that have arisen.
8. The Utilities shall evaluate additional program models that use remote audits/assessments for delivering whole-home residential energy savings. Sealed Inc. commented that it has conducted 3,000 remote home energy audits including over 900 in Q1 2020.<sup>15</sup> Given that there are companies, like Sealed Inc., that have experience with remote audits, and that there are some HES vendors that may not be interested in participating in the Virtual Pre-Assessments approved herein, DEEP directs the Utilities to evaluate the viability of utilizing companies with this experience, in addition to the current procedures. This evaluation shall be submitted to DEEP on July 1, 2020, in conjunction with Appendix A, Item 1 from the DEEP approval of the Plan Update regarding improving the performance of HES vendors in implementing add-on measures.

DEEP appreciates the Utilities’ efforts on this proposed measure, as well as the substantial comments provided by the vendor community. These combined efforts have greatly contributed and enhanced the COVID-19 Contingency Planning proceeding thus far. Furthermore, DEEP looks forward to continued collaboration with the Utilities as we navigate the current and future consequences of the COVID-19 pandemic on the energy efficiency community. Recently, DEEP has focused on supporting the energy efficiency workforce and will continue to do so through CTAC meetings. Based on feedback from stakeholders, going forward, DEEP will hold separate meetings for C & I contractors and residential contractors. Also, in the coming weeks, DEEP will focus on supporting customers, many of whom will need solutions to lower their energy bills. In particular, DEEP will address a number of the conditions of approval issued in DEEP’s February 11, 2020 Approval that will aid in program implementation to households with low incomes. DEEP will issue meeting notices and requests for comments, to provide ample opportunity for public participation. If you have any questions, please contact Donna Wells, associate research analyst for DEEP’s Office of Building

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<sup>14</sup> See Northeast Energy Efficiency Partnerships, April 17, 2020, at 2-3, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/69f1cc0015533f4d8525854d004f41e0?OpenDocument>.

<sup>15</sup> See Sealed, April 17, 2020, at 3, *available at* <http://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/3638990eba367c7585258550006af472?OpenDocument>.

and Transportation Decarbonization, at 860-827-2818 or Donna.Wells@ct.gov.

Sincerely,

*Michael Li*

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Bureau Chief

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