



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

MEETING MINUTES

Thursday, July 20, 2017 | 3:30 - 5:30 PM

Conference Room A, 2nd Floor, Department of Administration, Providence, RI

Members in Attendance: Chris Powell, Michael McAteer, Tom Magliocchetti, Karen Verrengia, Joe Cirillo, Carol Grant, Betsy Stubblefield Loucks, Shigeru Osada, Roberta Fagan and Joe Garlick.

Others Present: Mike Guerard, Nick Ucci, Savannah Harik, Mark Kravatz, Becca Trietch, Rachel Henschel, Carrie Gill, Abigail Anthony

1. Call to Order

Chairman Chris Powell called the meeting to order at 3:32PM.

2. Approval of Meeting Minutes

Chairman Chris Powell requested motion to approve the minutes for June. Shigeru commented that he did not believe that the June meeting minutes needed to be approved because it was not a meeting, but the council member retreat. He also noted that several months of meeting minutes have not been posted to the EERMC website. He requested that this be fixed immediately.

Betsy then made a motion to approve the June meeting minutes, and Karen seconded it. All approved. Becca Trietch will provide May's meeting minutes at the next Full Council Meeting in August.

3. Executive Director Report

a) General Update

Commissioner Carol Grant shared that the State is having their first demand response event today from 2:00PM-5:00PM. Employees have been asked to reduce their energy consumption during this time.

Commissioner Carol Grant also shared that the 2018 Budget as presented by the House, included a diversion of \$12.5 million from energy efficiency funds, into general revenue. As of right now, the budget proposal has not passed. The General Assembly left without a final approval on a State Budget although they may call a special session at any time. Therefore, Commissioner Carol Grant stated that nothing should be changed in the current energy efficiency programs, but we should all be ready to plan effectively for the 2018 year.

4. Chairperson Report

a) General Update

Chairman Chris Powell shared that Abigail Anthony has accepted a job at the Public Utilities Commission, so she is resigning from the Council. The Executive Committee Meetings are now on hold, until the Governor's Office appoints a new Vice-Chair for the Council.

Chairman Chris Powell also introduced Joe Garlick as the newest member of the Council. He will be representing small non-profits. Joe Garlick introduced himself and shared his background information with the members.

5. Council Business

a) Vote on EERMC Procurement Procedure Document & RFP Template

Becca Trietch quickly provided a summary of the Procurement Procedure Document and RFP Template, that Marisa Desautel worked on with the State's Legal Department. When the EERMC procured services or goods in the past, the process wasn't standardized. This Procurement Procedures Document and RFP Template are going to serve as a

guide for any future purchases. Chairman Chris Powell requested motion to vote to approve this guidance document and the RFP template. Joe Cirillo made a motion, Joe Garlick seconded it. All Approved.

b) Vote on 2018 Energy Expo Sponsorship

Cheryl Bond, John Marcantonio, Lou Latoya and Emily from RIBA, gave a quick presentation and went over the packet that was distributed amongst the Council members. They shared that between 2014-2018, Energy Expo attendance has been climbing each year. Moreover, the show as doubled the amount of energy efficiency and renewable energy exhibitors.

In the past year (2017), the EERMC contributed \$40k, to match National's Grid \$40k sponsorship for the Energy Expo. Because the Council does not have a projected Budget for 2018 yet, the Council vote today was only considering making a commitment to sponsoring the Energy Expo 2018. Today's vote was specifically seeking to keep the Energy Expo in the EERMC Budget in 2018, contingent on funding availability. Chairman Chris Powell requested a motion to vote, Betsy Stubblefield Loucks made a motion, Karen Verrengia seconded it. All Approved.

c) Review of draft Scope of Work for consultant services

Becca Trietch requested Council members to look over the draft of the Scope of Work, and send comments, questions, or concerns by August 10th, so she can compile the final RFP Draft for the Full Council Meeting in August.

d) Communications Working Group Update

Becca Trietch stated that the Communications Working Group has seen the beta EERMC Website, and has provided the website designer with many comments on how to improve it. The website will be shared with the Council once the Communications Working Group finalizes its comments/review.

Becca Trietch also shared that the Education RFP is out, and once they reach the due date at the beginning of August, they will share the proposals with the Council. In the meantime, Becca Trietch asked Council members to please share the RFP with anyone that would be interested in providing energy education to the public in Rhode Island.

6. Draft Three- Year Plan

a) Context for draft Three- Year Plan

Mark Kravatz, Mike Guerard and Emily Levin provided an overview of the draft Three-Year Plan.

b) Review of first draft of the Three- Year Plan

Courtney L, Angela Li, Matt Ray, Laura Rodormer, Mona Chandra, Ben Rivers, Alice Hourihan, and Rachel Henschel from National Grid reviewed the residential and Commercial program innovations, evaluations, impacts, and overall budget put forward in the draft 2018- 2018 Energy Efficiency and System Reliability Procurement Plan.

c) Council Feedback & Discussion

Chairman Chris Powell requested the Council to send feedback to the Consultant Team. Chairman Chris Powell requested that the final draft be sent to the Council at least one week before the August Council Meeting. Shigeru Osada commented that he would like to see the overall budget and system benefit charge rate be lower in 2020. And Karen Verrengia asked National Grid to put contact information on their presentations for all the presenters going forward.

7. Public Comment

No public comment.

8. Adjournment

Chairman Chris Powell requested a motion to adjourn the meeting. Joe Cirillo made a motion and Karen Verrengia seconded it. All approved. The meeting was adjourned at 6:08pm.

Meeting Materials



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

MEETING AGENDA

Thursday, July 20, 2017 | 3:30 - 5:30 PM

Conference Room A, 2nd Floor, Department of Administration, Providence, RI

1. Call to Order

2. Approval of Meeting Minutes

3. Executive Director Report (5-10 min)

a) General Update

4. Chairperson Report (5-10 min)

a) General Update

5. Council Business (45 min)

a) Vote on EERMC Procurement Procedure Document & RFP Template (10 min)

The Council to review and vote on a Procurement Procedures document and RFP Template to ensure compliance with Rhode Island's State Purchasing laws

b) Vote on 2018 Energy Expo Sponsorship (15 min)

The Rhode Island Builders Association (RIBA) to present on outcomes from the 2017 Energy Expo and ideas for the 2018 Energy Expo. The Council will vote on sponsorship for the 2018 Energy Expo

c) Review of draft Scope of Work for consultant services (15 min)

The Council to review the first draft of the Scope of Work for the next three years of consultant services

a) Communications Working Group Update (5 min)

The Communications Working Group will update the Council on recent efforts and present any recommendations: website update and education RFP

6. Draft Three-Year Plan (60 min)

a) Context for draft Three-Year Plan (15 min)

EERMC Consultant Team to provide context for and thoughts regarding the first draft of the 2018-2020 Energy Efficiency and System Reliability Procurement Plan

b) Review of first draft of Three-Year Plan (30 min)

National Grid to provide an overview of the first draft of the 2018-2020 Energy Efficiency and System Reliability Procurement Plan

c) Council Feedback & Discussion (15 min)

The Council to discuss key topics within the draft Three-Year Plan and to provide general feedback to National Grid

7. Public Comment

8. Adjournment



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

MEETING MINUTES: EERMC Retreat

Thursday, June 15th 2017 | 12:00 - 5:00 PM

400 Smith Street, Providence, RI 02908

Attendees: Abigail Anthony, Mike Guerard, Mark Kravatz, Roberta Fagan, Tom Magliocchetti, Diane Williamson, Joe Garlick, Carol Grant, Bob Bacon, Joe Cirillo, Michael McAteer, Betsy Stubblefield Loucks, Shigeru Osada, Anthony Hubbard, Emily Levin, Kate Desrochers, Scudder Parker, Savannah Harik, Carrie Gill, Becca Trietch, Robert Beadle, Jeff Loiter, Rachel Henschel, Kaya Salem, Erika Niedowski, Maya Sosland

Minutes:

No council business was conducted during this informational meeting. However, education was provided on the following topics as described. Please see the PowerPoint presentation at the end of these minutes for further details.

Least-Cost Procurement

Abigail Anthony gave an overview of Least Cost Procurement and the oversight responsibilities of the Council. She explained that the EERMC was established to help Rhode Islanders maximize the benefits of energy efficiency. She also provided a brief history of energy efficiency in Rhode Island, focusing primarily on Rhode Island's Comprehensive Energy Conservation, Efficiency & Affordability Act.

The EERMC Consultant Team then explained the meaning of the phrase: "Invest in all cost-effective energy efficiency less than the cost of supply."

From there, the EERMC members participated in a breakout session where they practiced describing least-cost procurement to non-technical audiences.

Next, the councilors watched a short video from National Grid that described what is involved in a residential energy assessment.

Planning Cycle

The EERMC consultant team described the energy efficiency program planning cycle. They noted that the Least Cost Procurement Standards provide the deadlines and process for the utility. This Standards document is reviewed, and when appropriate, updated every three years at the same time when the Targets are filed. The process currently consists of the following documents being filed at the Public Utilities Commission (PUC) at the time intervals indicated:

- Targets & Standards: filed every three years by the EERMC (the Targets are not legally binding, but they act as guideposts for the energy efficiency program plans regarding the achievable energy savings potential)
- Three-Year Energy Efficiency Program Plans: filed every three years by National Grid (the first Three-Year Plan was filed in 2012)

- Annual Energy Efficiency Program Plans: filed every year by National Grid (due on Oct 15th to the PUC except years when a three-year plan is due. The due date is extended to Nov 1st during Three-Year Plan years)
- System Reliability Plans (SRPs): Both annual and three-year plans are filed by National Grid. (These filings follow the same schedule as the energy efficiency program plans)

In addition, the EERMC is required to write a cost-effectiveness memo to the PUC after every annual and three-year energy efficiency program plan. Each memo is due 14 days past a plan's filing.

Lastly, the consultant team described how the Collaborative participates in the development of National Grid's filings, how the System Benefit Charge (SBC) rate is set on annual basis based on the Annual Energy Efficiency Program Plans and how overall portfolios are required to be cost-effective.

Energy Efficiency Analytical Framework

Mark Kravatz from the EERMC consultant team, gave an overview of the analyses used to verify the cost-effectiveness of energy efficiency procurement in Rhode Island. He discussed the Rhode Island Test, custom versus deemed approaches for determining measure savings, the three large categories of evaluation studies (impact evaluations, process evaluations and market evaluations), and the avoided cost study, co-funded by a group of New England states. This part of the retreat showcased the science-based, highly analytical processes in place to verify Rhode Island's energy efficiency savings and their cost-effectiveness.

SRP was also touched upon. However, council members were encouraged to read more about SRP by reading the Standards document provided on flash drives.

Beyond EE: Special Considerations

Emily Levin from the EERMC consultant team presented on the topic of cost-efficiency. She highlighted the different options for program design including upstream incentives, financing options and direct customer incentives. She also discussed the overall goal of market transformation via codes and standards enhancements, program pilots, and research and development. Lastly, she described how utility performance incentive structures and on-going comparisons with peer programs can help sustain Rhode Island's national leadership in energy efficiency.

Scudder Parker, also with the EERMC consultant team, then presented the topic of equity. He described how program design, market transformation goals, and performance incentive structures can help energy efficiency programs to better support hard-to-reach sectors.

Lastly, Nicholas Ucci from the Rhode Island Office of Energy Resources (OER), provided an overview of current state energy policies related to energy efficiency. He specifically discussed the lens through which OER views energy efficiency programs. This lens focuses on clean energy (specifically carbon reductions), affordability (specifically the impacts on consumers), and system reliability. He also described broader economic, energy and environmental goals described in Executive Orders 15-17 and 17-06, the Resilient RI Act, Least-Cost Procurement legislation and on-going Power Sector Transformation efforts.



**Acadia
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July 14, 2017

Chairman Chris Powell
Commissioner Carol Grant
Office of Energy Resources
1 Capitol Hill
Providence, RI 02908

Resignation from the Energy Efficiency and Resources Management Council (EERMC)

Dear Chairman Powell, Commissioner Grant, and Members of the EERMC,

The purpose of this letter is to submit my resignation from Rhode Island's Energy Efficiency and Resource Management Council, a stakeholder council that I have been proud to be a part of for nearly a decade. It is due to the unity and commitment of the EERMC that Rhode Island has risen in the ranks to become a national leader in energy efficiency policies and programs, and the beneficiaries of the work of the EERMC are Rhode Island residents, businesses, and the environment. While I am excited to join the Rhode Island Public Utilities Commission and elevate the issues that are core to the mission of the EERMC, I am truly sad to resign from the seat representing environmental interests pertaining to energy and I will miss the dedication to collaboration and collegiality that is the hallmark of the Council.

The EERMC is important to Acadia Center and to me personally, and I'd like to take this final opportunity to express the value of the Council model and urge its members to invest their time and energy in the EERMC's continued success.

Acadia Center was first appointed to the EERMC shortly after the Council was established by Rhode Island's 2006 Comprehensive Energy Conservation, Efficiency, and Affordability Act. Acadia Center had championed the concept of a stakeholder board supported by independent experts in the 2006 legislation and has stayed at the table for over 10 years to ensure that Rhode Islanders benefit from excellent energy efficiency programs and policies. Acadia Center has played a leading role in establishing a high functioning stakeholder body by providing subject matter expertise, helping define the duties and responsibilities of the EERMC, and drawing on our experiences serving in a leadership capacity on similar stakeholder councils in Massachusetts and Connecticut.



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It is not a coincidence that these three southern New England states are among the leading energy efficiency jurisdictions in North America. Of the many commonalities among these states, the presence of a stakeholder council focused on energy efficiency policy planning stands out as an important factor in their accomplishments. The strength of the Councils comes from the fact that diverse, key stakeholders representing all types of Rhode Island interests work together to make decisions from a common set of facts to implement the legislative mandate to acquire all cost-effective efficiency resources. The EERMC has shifted the nature of decision making from an adversarial process to collaboration. Instead of expending effort on contentious litigated proceedings between utilities, intervenor groups, and public agencies, the EERMC brings all stakeholders into the discussion before policies and program details progress to the point where there is little flexibility to address concerns, and then seek solutions that better satisfy multiple objectives. The Consultant Team brings expert perspectives, new ideas, and a tremendous level of effort to ensure that the EERMC makes informed decisions and hold the utility accountable.

The EERMC has proven to be a valuable part of Rhode Island's energy efficiency strategy. Having diverse stakeholders at the table, rather than commenting from the outside, is a key element of the Council process and leads to significant stability to the state's energy efficiency institutions. I urge the members of the EERMC to take ownership over the success of the Council: strive to reach decisions through consensus to facilitate honest and motivated negotiations;

take advantage of the Consultant Team's technical capability to hold the utility and other stakeholders accountable; and ensure long-lasting support for the work of the Council by maximizing the benefits of energy efficiency for all Rhode Islanders.

While I will be leaving the Council, Acadia Center's efficiency and system planning team will continue to be deeply engaged in this effort. Acadia Center's staff, including president Daniel Sosland, our Efficiency Initiative Director Jamie Howland, and Erika Niedowski, Policy Advocate, look forward to working with the Council as it addresses future plans and work.

Thank you for the opportunity to work with you to shape a clean, sustainable economy for Rhode Island. I have learned so much and gained many friendships from being part of the Council. I look forward to advancing the work of the EERMC from another perspective.

Sincerely,



Acadia Center

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Providence, RI 02903-2216
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Abigail

CC:

Erika Niedowski, Policy Advocate, Acadia Center

Jamie Howland, Director, Energy Efficiency and Demand Side Initiative, Acadia Center

Daniel Sosland, President, Acadia Center

Rhode Island Energy Efficiency and Resource Management Council

Procurement Guidance Document

Adopted: #####

I. PURPOSES

The underlying purposes of this Procurement Policy are:

- a. To simplify, clarify, and modernize purchasing activities undertaken by Rhode Island Energy Efficiency and Resource Management Council (“EERMC”);
- b. To permit the continuous development of purchasing policies and practices;
- c. To provide for increased public confidence in the procedures followed in public procurement;
- d. To ensure fair and equitable treatment of all persons who deal with the procurement systems of the EERMC;
- e. To provide increased economy in EERMC procurement activities by fostering effective competition;
- f. To provide safeguards for the maintenance of a procurement system of quality, integrity and the highest ethical standards;
- g. To promote the underlying purposes and polices of the Rhode Island State Purchases Act, R.I. Gen. Laws § 37-2-1 et seq.; and
- h. To provide for clearly defined accountability and responsibility for procurement actions.

II. ADMINISTRATIVE PRACTICES AND POLICIES

- a. The EERMC will operate an effective procurement system through the adoption and oversight of policies and procedures relating to purchasing activities.
- b. The Executive Director of the EERMC will serve as the Chief Purchasing Officer for the EERMC, subject to a majority vote of the EERMC at a regularly scheduled meeting.
- c. The EERMC Chief Purchasing Officer shall determine courses of action when the policies and procedures outlined herein require interpretation or when procurement disputes arise or conflicts occur.
- d. The EERMC will strive to adhere to the general principles, policies and practices set forth in the State Purchases Act.
- e. The EERMC may utilize the State Central Purchasing Authority as a procurement agency provided that such activity is conducted in accordance with all purchasing policies, procedures and regulations promulgated by the State Chief Purchasing Officer.
- f. The EERMC may, at its discretion, make use of Master Price Agreements entered into between the State of Rhode Island and vendors of goods and services.
- g. The EERMC may, at its discretion, make use of Cooperative Contracts entered into with any agency of the federal government, the State of Rhode Island and its subdivisions, or with any agency of another state.
- h. All EERMC procurement contracts shall be awarded as the result of:
 1. Request for Proposals;
 2. Existing State of Rhode Island Master Price Agreements;
 3. Small Purchase Procedures; or
 4. The utilization of the State Central Purchasing Authority.

- i. All changes to scope of work, price, or other terms shall be approved by the EERMC and be detailed in “change order” documents incorporating any contract amendments.
- j. The EERMC shall be under no obligation to consider an offer which has been submitted without solicitation.
- k. Multi-year contracts for goods and services may be entered into for periods not extending beyond five (5) years from when the contract was executed if the following three criteria are met:
 - (1) funds for the first year are available;
 - (2) contracts contain a standard clause which states that implementation of the contract beyond the first fiscal year shall be subject to the availability of funds; and
 - (3) multi-year contracts specify the annual costs and total value of the goods and/or services provided each year.

III. SOLICITATIONS THAT ARE NOT ISSUED THROUGH THE STATE CENTRAL PURCHASING AUTHORITY

A. Request for Proposals (RFPs) solicitation policies:

- a. All EERMC RFPs shall be written using the most current EERMC RFP template approved by the EERMC. Upon request by the EERMC, or in the event there is no applicable approved EERMC RFP template, the contents of the RFP must be approved by the EERMC prior to issuance. The evaluation criteria and weight will be outlined in the RFP.
- b. Notices of RFPs shall be published in sufficient time to afford suppliers a fair opportunity to respond prior to the bid opening date and time.
- c. Evaluation and scoring of proposals shall be conducted by a technical review team as designated by the EERMC Chief Purchasing Officer.
- d. In the event that the split of available evaluation points between technical and cost components varies from the standard split contained within the approved RFP template, the EERMC Chief Purchasing Officer shall provide a justification memo to the EERMC at the time of selection recommendation.
- e. The EERMC Chief Purchasing Officer, or the technical review team through delegated authority from the EERMC Chief Purchasing Officer, will review RFPs and make a recommendation to the EERMC.
- f. The EERMC has final approval authority over the selection of an offeror and the execution of any resulting contracts.
- g. No contract will be executed until two (2) calendar weeks after the EERMC’s final selection of an offeror to provide an opportunity for the submission of timely bid protests provided that the EERMC may lessen this time period if it is in the best interest of the EERMC.

B. State of Rhode Island Master Price Agreements (MPAs) policies:

- a. The EERMC may make use of any current MPAs entered into between the State of Rhode Island and vendors of goods and services.
- b. The EERMC and any duly authorized agent thereof shall comply with all applicable rules and requirements specified in a MPA’s User Guide or other central document.
- c. Evaluation of proposals shall be conducted by the EERMC, or any duly authorized agent(s) thereof, in accordance with the MPA’s User Guide or other central document.

- d. The EERMC has final approval authority over the selection of a vendor and the execution of any resulting contracts.

C. Small Purchase (not exceeding \$5000) policies:

- a. Small purchases are purchases not exceeding \$5,000.
- b. Procurements shall not be artificially divided so as to constitute a small purchase under this section.
- c. Competitive bids shall not be required for purchase orders up to \$5000 in value if the prices are considered to be reasonable.
- d. Specific action to verify the reasonableness of a price shall be taken when it is suspected that the price may not be reasonable, e.g., comparison to previous price paid or personal knowledge of the item involved.
- e. When practicable, an effort shall be made so that purchase orders up to \$5000 in value shall be distributed equitably among suppliers. Quotations should be solicited from the previous supplier and other bidders prior to placing a repeat order so as to ensure equitable distribution and enhance competition. Additional bidders should be different from previously unsuccessful bidders.
- f. Bids shall only be solicited from vendors with the ability to complete the proposed scope of work. Evaluation of bids should be based solely on the total fixed price offered.
- g. The EERMC may delegate its final approval authority over the selection of a vendor and the execution of any resulting contracts for small purchases, subject to a majority vote of the EERMC at a regularly scheduled meeting.

DRAFT TEMPLATE

The Rhode Island Energy Efficiency and
Resources Management Council
("EERMC")

Request for Proposals
("RFP")

RFP Title:	Title
RFP Number:	EERMC-2017-01
RFP Issuance Date:	Date
Due Date to submit Questions:	Date & Time
RFP Submission Deadline:	Date & Time

SECTION 1: GENERAL INFORMATION

- 1.1. Summary.** The Rhode Island Energy Efficiency and Resources Management Council (“EERMC”) is issuing this request for proposals (“RFP”) to solicit proposals from qualified offerors to [sentence describing Scope of Work for this RFP] as described in Section 5 of this RFP.
- 1.2. EERMC.** EERMC is a council authorized, created and established pursuant to the laws of the State of Rhode Island (“State”). See R.I. Gen. Laws §42-140.1-3. EERMC council members are appointed by the State Governor with the advice and consent of the State Senate, and the Commissioner of the Rhode Island Office of Energy Resources (“OER”) serves as the EERMC executive director. See R.I. Gen. Laws §42-140.1-4. In accordance with R.I. Gen. Laws §42-140.1-6, EERMC is authorized to engage consultants and professional services as necessary and appropriate to fulfil its statutory purposes which are to:
- Evaluate and make recommendations, including, but not limited to, plans and programs, with regard to the optimization of energy efficiency, energy conservation, energy resource development; and the development of a plan for least-cost procurement for the State;
 - Provide consistent, comprehensive, informed and publicly accountable stake-holder involvement in energy efficiency, energy conservation, and energy resource management;
 - Monitor and evaluate the effectiveness of programs to achieve energy efficiency, energy conservation, and diversification of energy resources; and
 - Promote public understanding of energy issues and of ways in which energy efficiency, energy conservation, and energy resource diversification and management can be effectuated.
- 1.3. State Purchases Act.** In general, the State Purchases Act, R.I. Gen. Laws §37-2-1 et seq., applies to every expenditure of public funds by any State governmental entity or public agency within the State. EERMC, as a council established by the Rhode Island General Assembly, is issuing this solicitation and selection for award in accordance with the underlying purposes and policies of the State Purchases Act. Any prospective offeror or offeror who wishes to submit a written protest in accordance with R.I. Gen. Laws §37-2-52, must submit the protest to the Commissioner of the Rhode Island Office of Energy Resources via mail or hand delivery to One Capitol Hill, 4th floor, Providence, RI 02908 or via email to energyresources@energy.ri.gov.
- 1.4. Equal Opportunity Policy.** In accordance with R.I. Gen. Laws §28-5.1-10, any selected offeror(s) who contract(s) with EERMC must possess the same commitment to equal opportunity as prevails under federal contracts controlled by federal executive orders 11246, 11625 and 11375. The selected offeror(s) may be required to submit an equal employment opportunity plan as proof of commitment. For more information, please contact the Rhode Island Equal

Opportunity Office within the Rhode Island Department of Administration's Office of Diversity, Equity & Opportunity at 401.222.6398 or visit <http://odeo.ri.gov/offices/eoo>.

- 1.5. **Minority and Women Business Enterprises.** In accordance with R.I. Gen. Laws §37-14.1-4, small businesses owned and controlled by one or more women who are economically disadvantaged (“WBEs”) or small businesses owned and controlled by one or more minorities who are economically disadvantaged (“MBEs”) shall have the maximum opportunity to participate in all procurements of goods or services involving funds administered by EERMC.
- 1.6. **Disability Business Enterprises.** In accordance with R.I. Gen. Laws §37-2.2-3.1, small disadvantaged businesses owned and controlled by one or more individuals who have a disability (“Disability Business Enterprise”) shall have the maximum opportunity to participate in all procurements of goods or services involving funds administered by EERMC.
- 1.7. **ISBE Utilization.** The term “ISBE” [pertains to individuals who own small business enterprises and means](#) all businesses that are certified as a WBE or MBE by the Rhode Island Office of Diversity, Equity & Opportunity (“ODEO”) or as a Disability Business Enterprise by the Governor’s Commission on Disabilities. In order for an offeror to receive credit for ISBE utilization either as an ISBE itself or through the utilization of a subcontractor that is an ISBE, the business must possess certification at the time the proposal is submitted to EERMC. To determine whether a business is certified by the State as an MBE or WBE or to become certified, please contact ODEO at 401.222.6398 or visit <http://odeo.ri.gov/offices/mbeco/>. To determine whether a business is certified by the State as a Disability Business Enterprise or to become certified, please contact the Rhode Island Governor’s Commission on Disabilities at 401.462.0100 or visit <http://www.disabilities.ri.gov/>. Offerors will receive between 0-6 evaluation points based on their proposed ISBE utilization rates. Each offeror must submit its proposed ISBE utilization rate as part of its proposal as instructed herein.
- 1.8. **Utilization of Subcontractors.** Subcontractors are permitted, provided that their use must be clearly indicated in the proposal. To the extent possible, all proposed subcontractors must be identified in the proposal.
- 1.9. **Public Disclosure of Proposals.** All proposals received by EERMC in connection with this RFP are subject to the Rhode Island Access to Public Records Act (“APRA”), R.I. Gen. Laws §38-2-1, et. seq. Once an award is made and upon receiving an APRA request, all proposals will be released by EERMC unless EERMC finds that the certain portions of information contained within the proposals are exempt from public disclosure pursuant to R.I. Gen. Laws §38-2-2(4). Offerors are advised to clearly mark or label “confidential” any portions of information within their proposals that they believe are “[t]rade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.” When responding to an APRA

request, EERMC will take into consideration any information marked by the offeror as confidential. However, broad disclaimers that label the entire proposal as confidential will not help EERMC in its APRA analysis and may not be considered.

- 1.10. **Costs Associated with Submitting a Proposal.** All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the offeror. EERMC assumes no responsibility for these costs.
- 1.11. **Right to Cancel this RFP.** In accordance with R.I. Gen. Laws §37-2-23, this RFP may be cancelled at any time and/or all proposals may be rejected.
- 1.12. **Misdirected Proposals.** Any proposals misdirected to other state locations, or which are otherwise not present in the office of the Contact Person at the time of the submission deadline for any cause will be determined to be late and may not be considered.
- 1.13. **Proposals Irrevocable.** Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the submission deadline, and may not be withdrawn, except with the express written permission of EERMC.
- 1.14. **EERMC Website.** Offerors are instructed to peruse the EERMC website and any other pertinent websites listed in Section 2.1 of this RFP on a regular basis, as additional information relating to this solicitation may be posted there from time to time. See Section 2.1 of this RFP for pertinent website address(es).
- 1.15. **Right to Transact Business in Rhode Island.** In accordance with R. I. Gen. Laws §7-1.2-1, et seq., no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Department of State. Please contact the Rhode Island Secretary of State's Business Services Division at 401.222.3040 or visit <http://sos.ri.gov/divisions/business-portal> for more information. This is a requirement only of the selected offeror(s).
- 1.16. **Availability of Funds.** The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.
- 1.17. **Insurance.** Prior to being issued a final award, the selected offeror(s) will be required to possess all necessary insurance, as determined by the EERMC, and continue to possess such insurance throughout the life of the award.
- 1.18. **Indemnification.** The selected and awarded offeror shall hold harmless and indemnify the EERMC and the State from and against any and all losses, damages, claims, suits, actions, liabilities, and/or expenses, including, without limitation, attorneys' fees and disbursements of any character that arise from, are in connection with or are attributable to the performance or nonperformance of the offeror or its subcontractors under an award stemming from this RFP.

SECTION 2: AGENCY CONTACT PERSON AND OFFEROR SUBMISSION AND FORMATTING REQUIREMENTS

2.1 Contact Person. Any communication regarding this RFP must be made in writing and directed to the Contact Person whose information is listed in the table below. Revised and/or additional information regarding this solicitation may be posted on the Pertinent Website(s) listed in the table below.

Contact Person	Becca Trietch
Mailing Address	Rhode Island Office of Energy Resources One Capitol Hill, 4 th floor Providence, RI 02908
Email Address	eermc.rfp@gmail.com
Pertinent Website(s)	http://www.rieermc.ri.gov/

2.2 Important Dates. Important dates regarding this RFP are listed in the table below.

RFP Issuance Date	Date
Pre Proposal Conference Date	Not Applicable
Written Questions Due Date	Day, Date at Time. (Eastern Time).
Submission Deadline	Day, Date at Time. (Eastern Time).

Commented [BT(1): Questions due date must be at least one week before the RFP submission deadline.

Commented [BT(2): Submission deadline must be at least 4 weeks past the RFP issuance date.

2.3 Pre Proposal Conference. There will be no pre-proposal conference for this RFP.

2.4 Written Questions. Prospective offerors may submit written questions pertaining to this RFP. Questions must be emailed as a Microsoft WORD or searchable PDF attachment to the Contact Person. The deadline to submit questions is listed within the table in Section 2.2 of this RFP. Questions and EERMC’s responses will be posted on the Pertinent Website(s).

2.5 Amendments to this RFP. If this RFP is amended or addendums are issued, written notice of the amendments and/or addendums will be posted on the Pertinent Website(s).

2.6 Submission Deadline. Each Proposal will include three (3) components: technical, cost, and ISBE. All three components must be received by the Contact Person by the Submission Deadline as listed within in the table in Section 2.2 of this RFP.

2.7 Submission Requirements. Each Proposal must be mailed or hand delivered to the Contact Person and must include the following:

- One (1) original technical component plus three (3) printed paper copies.
- One (1) original cost component plus three (3) printed paper copies. The original cost component and copies must be separated from the technical component and placed in a sealed envelope. Please label the sealed envelope as “Cost Proposal”.
- One (1) original ISBE component plus three (3) printed paper copies. This original ISBE component and copies must be separated from the technical component and placed in a sealed envelope. Please label the sealed envelope as “ISBE Proposal”.
- A thumb drive or CD-R that contains the electronic versions of the technical component, cost component (must be saved as a separate file from the technical component), and ISBE component (must be saved as a separate file from the technical component). The electronic versions must be in a searchable PDF or Microsoft WORD format unless otherwise permitted by the Contact Person. Please label each file on the thumb drive or CD-R as “Technical Proposal” or “Cost Proposal” or “ISBE Proposal”.

2.8 Formatting of Written Documents. For clarity, the technical component should be typed and sections should be clearly labeled to correspond with the pertinent RFP sections. These documents should use 1” margins on 8.5”x 11” paper using a font of ~~11, 11.5 or~~ 12 point. Technical components should be a maximum of ~~ten-fifteen~~ (15) pages not counting any attachments. Each attachment should be referenced appropriately within the proposal section and the attachment title should reference the proposal section it is applicable to. The Cover Sheet, Cost component and ISBE component should be typed using the attached templates.

SECTION 3: EVALUATION AND SELECTION PROCESS

3.1 Technical Review Team. Proposals will be evaluated and scored by a technical review team in accordance with the criteria contained herein. The ~~executive director~~ chief purchasing officer, or the technical review team through delegated authority from the ~~executive director~~ chief purchasing officer, will make a recommendation to the EERMC. An award shall be made to the responsible offeror(s) whose proposal is determined to be the most advantageous to the EERMC, taking into consideration price and the evaluation factors set forth in this solicitation. The EERMC is responsible for the final selection of an offeror. The EERMC reserves the right to award one, multiple, or no awards based on the proposals received. The EERMC also reserves the right to reissue the RFP at its sole discretion.

3.2 Technical Component Evaluation Stage. To advance to the second stage of the evaluation process, which factors in the cost and ISBE components, the offeror must earn a technical component score of at least ~~60 (85.7%)~~ ~~155 (84.6%)~~ out of the maximum ~~70~~ ~~165~~ technical points. Any proposal with a technical component score of less than 60 points will not have the cost or ISBE components opened nor evaluated and the proposal will be dropped from further consideration.

3.3 Cost & ISBE Components. Proposals scoring ~~60~~ ~~155~~ technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in the cost category. In addition, proposals scoring 60 technical points or higher will be evaluated for ISBE participation and assigned up to a maximum of 6 points in the ISBE participation category bringing the potential maximum score to 106 points.

3.4 Scoring. Proposals will be reviewed and scored based upon the following criteria:

Criteria	Points Available
Overview and Work Plan	35
Qualifications and Experience	25
Project Management and Organization	10
Total Technical Points	70
Cost	30
Total Possible Evaluation Points	100
ISBE Bonus Points	6
Total Possible Points	106

Criteria	Points Available
Overview and Work Plan	35
Qualifications and Experience	25
Project Management and Organization	5
Total Technical Points	65
Cost	25
Total Possible Evaluation Points	90
ISBE Bonus Points	6
Interview Presentation Quality	10
Total Possible Points	106

Commented [BT(3): This scoring division to be used when an interview is deemed necessary by the Chief Purchasing Officer or the technical review team

3.5 Calculation of Cost Points. The offeror with the lowest cost proposal shall receive one hundred percent (100%) of the available points for cost. All other offerors shall be awarded cost points based upon the following formula:

$$(\text{lowest cost proposal} / \text{offeror's cost proposal}) \times \text{available points}$$

For example, if Offeror A is the offeror with the lowest cost proposal of \$65,000 and Offeror B proposes a cost of \$100,000 and the total points available are 30, Offeror A would get the full 30 points and Offeror B's cost points are calculated as follows: $\$65,000 / \$100,000 \times 30 = 19.5$ points.

- 3.6 Calculation of ISBE Points.** See Sections 1.5, 1.6 and 1.7 of this RFP for more information. EERMC adheres to 150-RICR-90-10-1 entitled *Regulations Governing Participation by Small Business Enterprises in State Purchases of Goods and Services and Public Works Projects*. The offer with the highest ISBE participation rate shall receive one hundred percent (100%) of the available points for ISBE. All other offerors shall be awarded ISBE points based upon the following formula:

$$(\text{offeror's proposed ISBE participation rate} / \text{offeror with highest ISBE participation rate}) \times \text{available points}$$

For example, if Offeror A has the highest ISBE participation rate of 20% and Offeror B proposes an ISBE participation rate of 12% and the total points available are 6, Offeror A would get the full 6 points and Offeror B's cost points are calculated as follows: $12\% / 20\% \times 6 = 3.6$ points. See Sections 3.7 and 3.8 of this RFP for information on how ISBE participation rates are calculated.

- 3.7 ISBE Participation Rate if the Offeror is an ISBE.** The ISBE participation rate for an offeror who is an ISBE shall be expressed as a percentage and shall be calculated by taking the sum of the amount of the offeror's total contract price that will be subcontracted to ISBEs and the amount that will be self-performed by the offeror and dividing that number by the ISBE offeror's total contract price. For example if the offeror's total contract price is \$100,000.00 and it subcontracts a total of \$12,000.00 to ISBEs and will perform a total of \$8,000.00 of the work itself, the offeror's ISBE participation rate would $(\$12,000 + \$8,000) / \$100,000 = 20\%$.

- 3.8 ISBE Participation Rate if the Offeror is not an ISBE.** The ISBE participation rate for an offeror who is not an ISBE shall be expressed as a percentage and shall be calculated by taking the amount of the offeror's total contract price that will be subcontracted to ISBEs and dividing that number by the ISBE offeror's total contract price. For example if the offeror's total contract price is \$100,000.00 and it subcontracts a total of \$12,000.00 to ISBEs, the offeror's ISBE participation rate would $\$12,000 / \$100,000 = 12\%$.

- ~~3.8.3.9~~ **3.9 Interview Presentation.** The chief purchasing officer, or the technical review team will select up to three of the highest scoring, qualified offerors based upon total scores received. These offerors will be interviewed by the chief purchasing officer, or the technical review team, to present their proposals and qualifications in person, and answer any questions the chief purchasing officer, or the technical review team may have.

Commented [BT(4): Only to be included in RFP template if an interview is deemed necessary by the Chief Purchasing Officer or the technical review team

SECTION 4: OFFEROR'S SUBMISSIONS

Each offeror must submit a proposal containing the following information. When responding to each section below, please label responses with the corresponding RFP section.

- I. **Cover Sheet.** The offeror must complete, execute, and submit the RFP Cover Sheet which is attached hereto.
- II. **Technical Proposal.** An offeror's technical proposal must include the following information:
 - A. **Overview.** The overview should lay out the offeror's understanding of the scope of work, describe the offeror's proposed project work plan and approach, and explain how the offeror is well suited to achieve the project objectives.
 - B. **Work Plan.** The offeror should describe its proposed project work plan in detail. Specifically, [Description of work plan requirements such as the submission of a timeline and a description of how the offeror will address all components of the Scope of Work]
 - C. **Company Profile.** Provide an overview of history, length of time in business, organizational and staff capacity, core competencies, and any other resources uniquely suited to achieving project objectives.
 - D. **Relevant Experience:** Describe offeror's experience with similar projects.
 - E. **Examples of Prior Work:** If possible, reference two or three examples of previous projects that best display the offeror's ability and experience with work of a similar nature. Specify the role the offeror played in each project.
 - F. **Reference Information:** Provide names, email addresses, telephone numbers, and permission to contact two former or current clients for which the offeror has performed work in the last three years.
 - G. **Identification of Staff and Subcontractors.** List all staff and subcontractors proposed as members of the offeror's team.
 - H. **Staff Responsibilities.** Specifically describe each of staff and subcontractor duties, responsibilities, and areas of concentration for the project.
 - I. **Staff Experience.** Please include resumes, curricula vitae, or statements of prior experience and qualification. An organizational chart showing roles and responsibilities on the project is desirable. The team may include subcontractors; however, the lead offeror will be solely responsible for the management and deliverables of the team.

J. **Conflicts of Interests.** Describe any known conflicts of interest between offeror or an affiliate of offeror and any distribution company, or any affiliates of the foregoing. In addition, describe any known conflicts of interest between offeror or an affiliate of offeror and any member of the EERMC.

K. **Litigation.** Describe any litigation, disputes, claims or complaints, or events of default or other failure to satisfy contract obligations, or failure to deliver products, involving offeror or an affiliate of offer, and relating to providing services similar to the services being solicited by the EERMC.

~~H.~~L. **Investigation.** Confirm that offeror, and the directors, employees and agents of offeror and any affiliate of offeror are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by state or federal law in any jurisdiction involving conspiracy, collusion or other impropriety with respect to bidding on any contract.

III. Cost Proposal. Offerors must separate their cost proposals from their technical proposals and place cost proposals in a sealed envelope. Please complete, execute, and submit a cost proposal using the cost proposal form template attached hereto. Offerors must complete both Task Sheets Page(s) and the All-Inclusive Price Page. Please note that the total budget available from the EERMC for the scope of work outlined in this solicitation is \$#####.

IV. ISBE Proposal. Offerors must separate their ISBE proposals from their technical proposals and place ISBE proposals in a sealed envelope. To be eligible for ISBE points, an offeror must complete, execute, and submit the ISBE form template attached hereto. Offerors must complete both the List of ISBE Page and the ISBE Participation Rate Page. Failure to submit an ISBE proposal will result in the offeror receiving 0 points in the ISBE scoring category. See RFP Sections 1.5, 1.6, 1.7, 3.6, 3.7, and 3.8 for additional information.

SECTION 5: PROJECT DESCRIPTION AND SCOPE OF WORK

5.1 Summary: [High-level description of the purpose of the solicitation]

5.2 Background and Motivation. [Useful background information and description of the rationale for the RFP]

5.3 Scope of Work: The EERMC is seeking proposals to [description of goals and objectives for the RFP. Be sure to include all work/task requirements, reporting requirements, necessary process information, overall objectives, questions that should be answered by an offeror, and any needed language indicating proposal types that will be given preference].

If an offeror identifies a need for additional tasks, the offeror may indicate such additions in the project proposal.

5.4 Required Deliverables

- [Bulleted list of required deliverables with detailed descriptions]

5.5 Expected Tasks and Timeline

- [Bulleted list of required tasks]

Milestone	Anticipated Date
Proposal Award	Date
Selected Offer to Begin Work	Date
Interim Reports	Date
Final Report	Date

RFP Cover Sheet

Offeror's Name:	
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RFP Information	
Title of RFP:	
RFP Number:	

Offeror Information	
Legal Name of Offeror:	
Type of Entity (i.e. corporation, partnership, sole proprietorship):	
Mailing Address of Primary Place of Business:	
Phone Number:	
Website:	

Contact Person for the Offeror	
Name:	
Title:	
Mailing Address:	
Phone Number:	
Email Address:	

Signature of Authorized Person

Date

Printed Name, Title

Cost Proposal - Task Sheets

Offeror's Name:	
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Task Sheets. Please add or delete rows for team members and add or delete task tables as needed.

Task 1:			
Labor Costs			
Subcontractor or Team Member Name and/or Job Title	Hourly Rate	Estimated Hours	Evaluated Price (Hourly Rate * Estimated Hours)
Additional expenses that are not included in hourly rate			
Description of Expense		Price	
Total Task Price:		\$ _____	

Cost Proposal - All-Inclusive Price and Signature Page

Offeror's Name:	
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One All-Inclusive Price. This number represents the sum of all total task prices and any other costs and expenses charged to EERMC.

All-Inclusive Price:	\$ _____
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Signature of Authorized Person

Date

Printed Name, Title

ISBE Proposal – List of ISBEs Page

Offeror's Name:	
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Please see Sections 1.5, 1.6, 1.7, 3.6, 3.7, and 3.8 of the RFP for additional information.

Is the offeror a State certified ISBE (MBE, WBE or Disability Business Enterprise):	YES <input type="radio"/>	NO <input type="radio"/>
	If YES, provide the total dollar amount representing work that will be done by the offeror: <div style="text-align: right;">\$ _____</div>	

Identification of ISBE Subcontractors (Please add rows as necessary)		
ISBE Subcontractor's Name	ISBE Mailing Address, Email Address, and Phone Number	The total dollar amount representing work that will be done by the ISBE Subcontractor
		\$ _____
		\$ _____
		\$ _____

ISBE Proposal – Participation Rate and Signature Page

Offeror's Name:	
------------------------	--

A. Total amount of dollars representing work that will be done by the ISBEs:	\$ _____
B. All-Inclusive Price Listed in the Cost Proposal:	\$ _____
ISBE Participation Rate (=A/B):	_____ %

Signature of Authorized Person

Date

Printed Name, Title

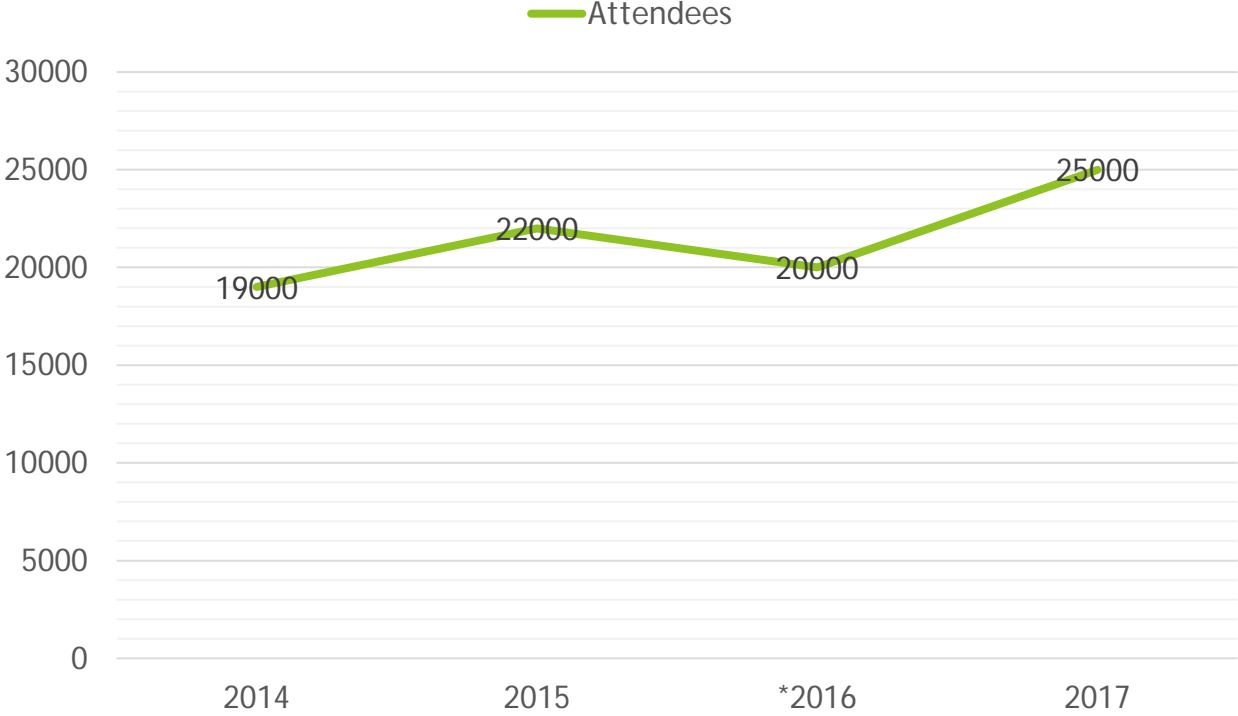
ENERGY EXPO STATS

at the 67th Annual Home Show
March 30th - April 2nd | RI Convention Center



The Stats

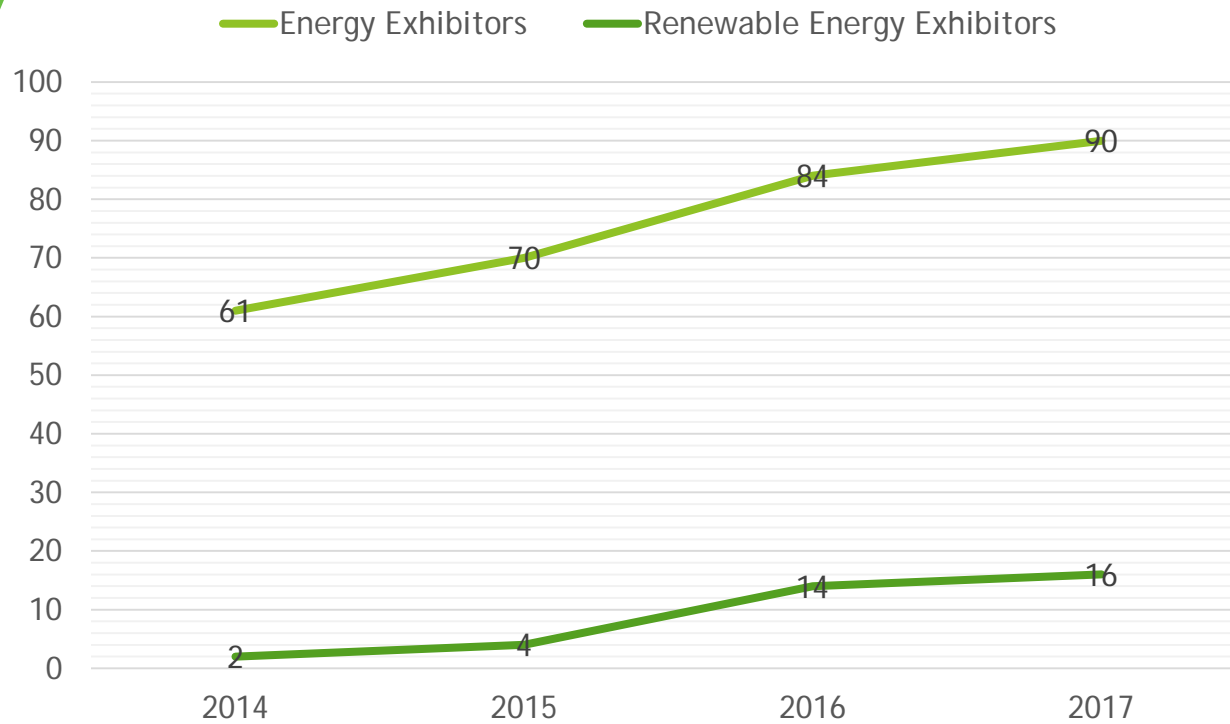
Show Attendees



* 2016 Lower attendance due to snow on Sunday

The Stats

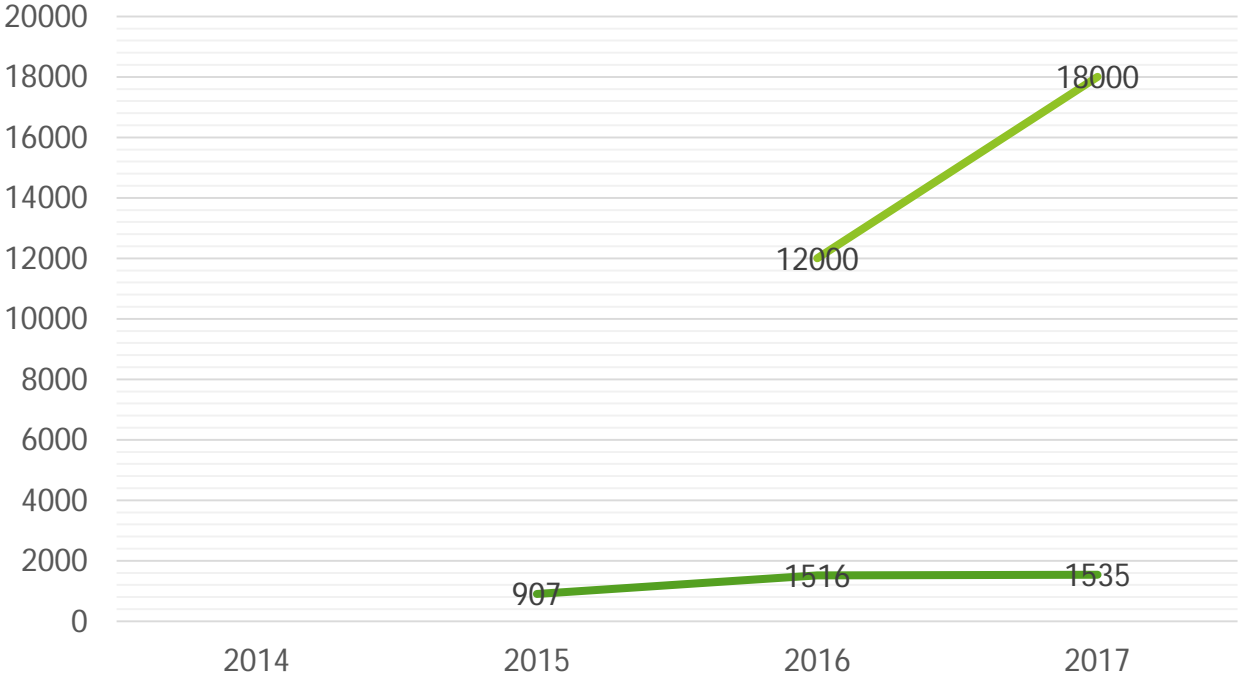
Energy and Renewable Exhibitors



The Stats

Energy Expo Signups & Sales Lightbulbs and Efficiency Kit Sales

— Lightbulb Sales — Efficiency Kits

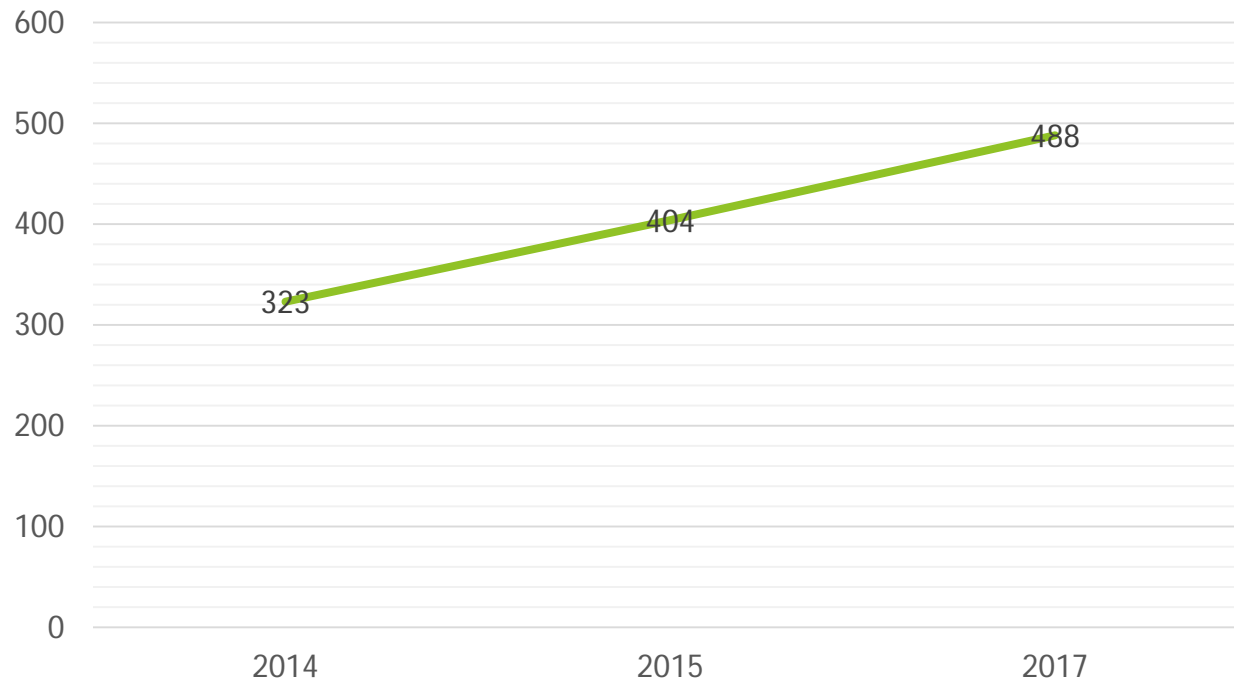


The Stats

Energy Expo Signups & Sales

Energy Audits

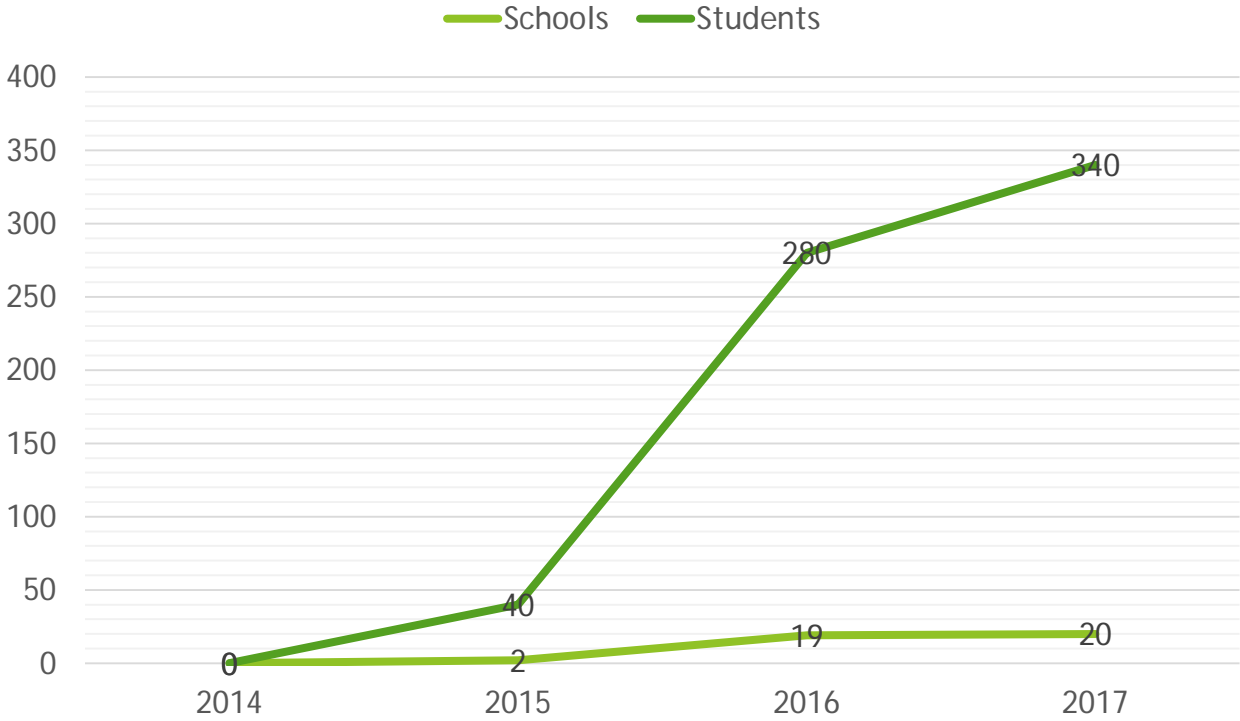
— Energy Audits



*2016 data of 688 is possibly inflated due to the raw # sign up cards...which all don't actually follow through. This number is questionable compared to 2015 and 2017 and has been left off the chart.

The Stats

Work-Based Applied Learning Schools and Student Involvement





Timeline of Industry Feedback

2014 Energy introduced to RIBA Industry Board as main subject for RI Home Show

2017 RIBA Industry Board embraces ENERGY concepts, contractor education on ENERGY issues, ENERGY as part of CTE, and full support of outreach programs

2018 ENERGY EXPO PROPOSED CONCEPT

at the 68th Annual Home Show
April 5TH - 8TH 2018 | RI Convention Center





Estimated Goals

200,000 Person reach with messaging
25,000 Show attendees
20+ Career & Tech Programs involved
100 Related ENERGY exhibitors

Track economic result of ENERGY EXPO
With custom ENERGY survey



BIG Bold Marketing Changes

- ✓ Entire concourse is ENERGY with concentrated messaging in an agreed upon area
- ✓ Coordinated messaging with National Grid
On State incentive programs, home energy assessments or other targets/programs
- ✓ NEW National Grid ENERGY CENTER included in show Marketing campaign (*Provide energy center guided tours from the show?*)

Continued...



2018
Marketing

BIG Bold Marketing Changes

- ✓ DEDICATED TV, Radio, Print, Web, Show Program, Signage
Floor Stickers
- ✓ Coupon Insert includes FOCUSED messaging along with discount
- ✓ DEDICATED Give-A-Way's *(if applicable)*
- ✓ DEDICATED PR Program
- ✓ Use of STAGES

Continued...



2018
Marketing

BIG Bold Marketing Changes

- ✓ Non-Profit Exhibit Space
- ✓ 2000 Admission Tickets
- ✓ Energy Store (cash & carry)
- ✓ Update and Customize ENERGY EXPO Survey
To obtain more feedback from consumers

Continued...



BIG Bold Marketing Changes

- ✓ **Fully MANAGED by RIBA** - The ENERGY EXPO is a concept started by the EERMC that is now put together jointly with the building industry for consumer and outreach purposes. RIBA will continue to coordinate the show content and marketing with OER and National Grid.



2018
Show
Features

Specially Built Show Feature Options *that could be built by students*

Option 1: **Replica of the Energy Hub**
Could become a traveling classroom/exhibit

Option 2: **Construct a Home Energy Assessment Exhibit**
to educate consumers and becomes a selling
center for Home Energy Assessments

Goal: Show what an energy assessment is like and
how energy losses are identified

Reusability: Donate the structure/exhibit to a
vocational school for training students

Due to logistical issues and set-up time constraints we must build room like structures, not a full house. This will have the same effect and allow for set-up/take-down time.

2018
Show
Features

Option 2 Energy Assessment Exhibit

Standard Versus an Energy Efficient House - Possible Details

House Side 1 - *Standard*



built by students

- ✓ Single pane windows
- ✓ Leaky windows
- ✓ Windows that won't close tight
- ✓ Poor/no insulation
- ✓ No door air sealing
- ✓ Leaky recessed lights
- ✓ Leaky ductwork (leaking warm/cool air into the plenum space)
- ✓ Old non-programable thermostat
- ✓ Old boiler/furnace
- ✓ Old appliances
- ✓ Old secondary fridge
- ✓ Old bulbs (Incandescent/CFL)
- ✓ Etc.

2018
Show
Features

Option 2 Energy Assessment Exhibit

Standard Versus an Energy Efficient House - Possible Details

House Side 2 - Energy Efficient



built by students

- ✓ High efficiency windows
- ✓ Good air sealing around doors & windows
- ✓ Great insulation & air sealing
- ✓ Sealed ductwork
- ✓ Air sealing around plug outlets
- ✓ Air sealed recessed lights
- ✓ Air sealing around doors
- ✓ Wi-Fi thermostats
- ✓ Updated heating/cooling equipment
- ✓ Updated appliances
- ✓ LED bulbs
- ✓ Etc.

THANK
YOU!

THE RHODE ISLAND BUILDERS
ASSOCIATION & STUDENTS

THANK
YOU!



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

Request for Proposal: Policy & Program Planning Consultant

Submission Deadline: September ##, 2017, 4:00 PM (Eastern Time)

Questions concerning this solicitation must be received by the EERMC at eermc.rfp@gmail.com no later than 4:00 PM on August ##, 2017.

Responses will be posted on the EERMC website: [WEB ADDRESS](#).

Proposals must be submitted via e-mail to: eermc.rfp@gmail.com.

Proposals must be received at the email address above by 4:00 PM, on September ##, 2017.

Commented [BT(1)]: Will put this Scope of Work into an approved EERMC RFP template



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

The Rhode Island Energy Efficiency and Resource Management Council (EERMC) is seeking the assistance of a technical consultant (Consultant) beginning on January 1, 2018. The Consultant will provide planning and policy support to the EERMC in its review and oversight of energy efficiency and system reliability programs and initiatives proposed and administered by the electric and gas distribution company as required by R.I.G.L. § 39-1-27.7.

The EERMC, a fourteen-member council appointed by the Governor with advice and consent of the Senate, includes ten voting members that represent large and small commercial and industrial customers, residential customers, low income customers, environmental interests, energy design and codes, energy law and policy, energy efficiency education and employment tracking, and municipal energy users. The four non-voting members include representatives from the electric and gas utilities, heating fuel industry, and the Commissioner of the Office of Energy Resources (OER). The EERMC reports annually to the Public Utilities Commission (PUC) and to the General Assembly, and works closely with the OER. For more information, please visit: [EERMC WEBSITE](#).

The Policy & Program Planning Consultant will be a crucial partner and resource to the EERMC in achieving its objectives as defined in R.I.G.L. § 42-140.1-3. These objectives are:

1. Evaluate and make recommendations including, but not limited to, the development and implementation of utility plans and programs for the least cost procurement of energy efficiency and system reliability resources that are cost-effective compared to traditional supply options; and
2. Provide consistent, comprehensive, informed, and publicly accountable stakeholder involvement in energy efficiency and system reliability resources; and,
3. Monitor and evaluate the effectiveness of programs to achieve the procurement of and investment in energy efficiency and system reliability resources; and
4. Promote public understanding of energy issues and of ways in which energy efficiency and system reliability resource procurement and investments can be effectuated.

The overarching responsibility of the Consultant is to enable the EERMC to meet its statutory objectives by managing projects, providing technical support, and ensuring tasks are accomplished and goals are met. Specifically, the Consultant will provide critical services and support for EERMC priorities through the following roles and responsibilities:

Responsibilities related to EERMC Oversight

- Enhance EERMC member interpretation and understanding of utility efficiency, distributed generation, and system reliability program planning, policy development and implementation, and facilitate EERMC member participation in the planning and



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oversight process. Educate EERMC members, as needed, regarding other relevant, energy-related topics.

- Actively participate and provide expertise in all EERMC meetings (including any Sub-Committee or Ad-Hoc Committee meetings); all Demand Collaborative meetings (including any Sub-committee or Ad-hoc meetings); System Reliability Subcommittee meetings; meetings with OER and other state agencies engaged in the implementation of least-cost procurement initiatives; all relevant PUC meetings, technical sessions, and proceedings; and any other stakeholder meetings that may be important to the successful advancement of Rhode Island's least-cost procurement mandates.
- Develop and review policies on a range of issues germane to the EERMC's duties including, but not limited to, triennial and annual efficiency and system reliability plan development and implementation; efficiency and system reliability standards development; energy efficiency savings targets; program budget and financing; cost-effectiveness; evaluation, monitoring, and verification; financing; and performance incentives.
- Document and/or conduct research and analysis, and create recommendations so that stakeholder representatives can make decisions based on sound information. Provide policy summaries, analysis, and whitepapers, as needed, to inform, guide, and empower stakeholder representatives.
- Fully participate in the development of EERMC priorities and provide technical inputs, analyses, and other efforts as necessary to advance the EERMC's priorities within the development, implementation, and evaluation of utility plans and programs for least cost procurement.
- Assume overall responsibility for managing and coordinating the work of any additional consultants hired by the EERMC to support its objectives.
- Evaluate the impacts of past and potential legislation and/or PUC directives on energy efficiency and system reliability, including, but not limited to, legislation or PUC orders related to decoupling, and system benefit charge (SBC) collections and allocations. Educate key stakeholder on such legislation and associated impacts.

Responsibilities related to the development of work products and representation of the EERMC

- Develop work products for relevant PUC dockets (e.g. annual natural gas and electric efficiency plans), including direct testimony on behalf of the EERMC upon its request.
- Provide technical support from, and representation of, the EERMC with respect to relevant state and regional policies before entities including, but not limited to, the Rhode



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Island General Assembly and Executive branch agencies, ISO-New England, the Regional Greenhouse Gas Initiative (RGGI), and the Forward Capacity Market (FCM).

- Support the development of the required Annual Report on EERMC activities due on April 15 of each year to the General Assembly.
- Represent the priorities of the EERMC in various relevant stakeholder forums, including, but not limited to: codes and standards initiatives; the Alliance for Healthy Homes; the Power Sector Transformation Initiative; building energy labeling initiatives; regional and local evaluation, measurement and verification (EM&V) efforts; and efforts to improve efficiency delivery to multifamily buildings, the farm and agriculture sector, Block Island residents and businesses, income eligible consumers, and any other identified, underserved market sector.
- Assist with oversight of National Grid's investment of ratepayer funds, including by participating in monthly meetings with the company's strategy groups.

Responsibilities related to Energy Efficiency and System Reliability Program Design and Delivery

- Represent the EERMC's priorities in the development of annual and triennial energy efficiency and system reliability plans.
- Verify that energy efficiency program design and implementation are delivering excellent service and maximizing the benefits of energy efficiency for all ratepayers. Provide technical support and recommendations to the utility and other key stakeholders to continually enhance program design and implementation.
- Advocate for program design and delivery improvements, including, but not limited to, providing recommendations for increasing the benefits of efficiency to underserved sectors.
- Conduct a detailed review and report on the cost-effectiveness of the annual and triennial natural gas and electric efficiency plans for submittal to the PUC.
- Provide independent assessment of utility data reports and information, including monthly data dashboards, quarterly data, and year-end performance results. Make recommendations for improvements.
- Advocate for excellent data reporting, transparency, and access to data when appropriate.
- Apprise the EERMC of developments in other jurisdictions that could improve the quality and delivery of energy efficiency programs and system reliability investments in Rhode Island.
- Monitor, facilitate, and report on the implementation and progress towards the goals of the annual Energy Efficiency Program Plan, including regular meetings with National Grid program managers and other affected stakeholders.



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- Work with National Grid to receive more comprehensive and timely exchanges of relevant data as needed by the EERMC and/or OER.
- Work with National Grid and other stakeholders to ensure that all utility-administered energy efficiency programs are effectively coordinated and integrated with other state clean energy initiatives, including, but not limited to, programs funded through RGGI and implemented by OER and financing mechanisms through the Rhode Island Infrastructure Bank.

Responsibilities related to Advancing Integrated Approaches and Addressing Emerging Issues

- Identify innovative approaches and improvements to energy efficiency program delivery, including, but not limited to:
 - Gas/electric integration;
 - Infrastructure development;
 - Best practices and emerging technologies;
 - Statewide education and marketing;
 - Program designs that are both deeper and broader;
 - Evaluation, measurement, and verification;
 - Financing;
 - Efficiency for delivered fuels;
 - Innovative delivery mechanisms and partnerships;
 - Performance metrics and incentives;
 - Strategic electrification;
 - Demand management; and
 - Other new or emerging issues.
- Document research and recommendations in the format most appropriate for the audience and purpose.
- Provide direct support to OER in the form of training, planning, technical analysis, and guidance for new initiatives, and relevant specialized expertise to assist OER with existing programs and pilot programs, including programs identified in OER's RGGI Allocation Plans.
- Provide direct support to OER on renewable integration with energy efficiency (e.g. PACE Program).
- Research and support planning initiatives for the integration and leveraging of broader energy issues, such as strategic electrification and resiliency, with ratepayer funded efforts.



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

- Provide any additional work on special projects as directed by the EERMC or on an as-needed basis.

Candidate qualifications include:

- A team of professionals with significant energy efficiency and system reliability/customer-side resource expertise, stakeholder and collaborative process experience, and a capacity and track record of implementing both tried-and-true and innovative approaches to meeting aggressive energy efficiency targets and system reliability investments.
- Demonstrated technical expertise, including experience in energy efficiency and system reliability program planning, budgeting, implementation, oversight, and evaluation and verification.
- Demonstrated knowledge and understanding of energy efficiency and system reliability programs nationwide. The ability to leverage similar work in neighboring states to offer some cost mitigation and efficiencies is preferred.
- Technical degrees are preferred, but not required.
- Demonstrated knowledge and understanding of Rhode Island's unique suite of clean energy laws and policies, particularly its least-cost procurement statute, is preferred.

The EERMC reserves the right, in its sole discretion, to reject any or all proposals, to waive any minor irregularities or informalities in a proposal, and to enter into any agreement deemed by the EERMC to be in the best interest of the ratepayers of the State of Rhode Island. The EERMC may decide to enter into agreements with one or more applicants. Selected applicants will report directly and solely to the EERMC.¹ The EERMC reserves the right to discuss with the selected applicant(s) any terms and conditions, including financial issues, for any proposed project.

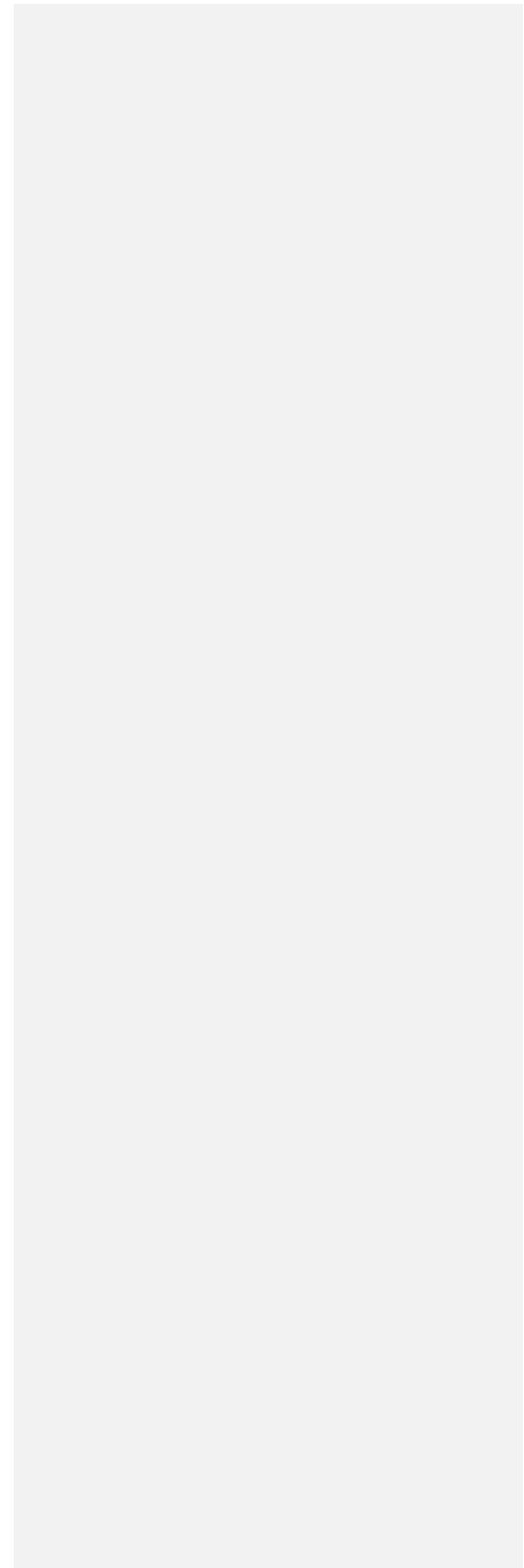
Candidates should submit a proposal including qualifications, prior experience, references, and proposed total annual compensation, and a brief response (not to exceed ten pages) to the objectives and responsibilities detailed above. Applicants are not to have had any recent or current contracts, or other financial relationships, with National Grid and also must not have had any recent contracts with National Grid to avoid any real or perceived conflicts of interest. Any actual, potential, or perceived conflict or financial relationship with National Grid must be detailed and explained in the applicant's proposal. The consultant is expected to require a commitment of approximately 4,500 hours during the course of 2018 starting on January 1,

¹ The Consultant will provide monthly verbal and written reports of issues and work tasks from previous months at monthly open meetings of the EERMC. The Consultants will also provide verbal and written summaries of upcoming issues to be resolved. All reports will be provided electronically and archived on the [EERMC website](#).



STATE OF RHODE ISLAND
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2018, with an option for the EERMC to decide whether to renew and continue the selected consultant's work for 2019 and 2020.





STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

Draft Three-Year Plan

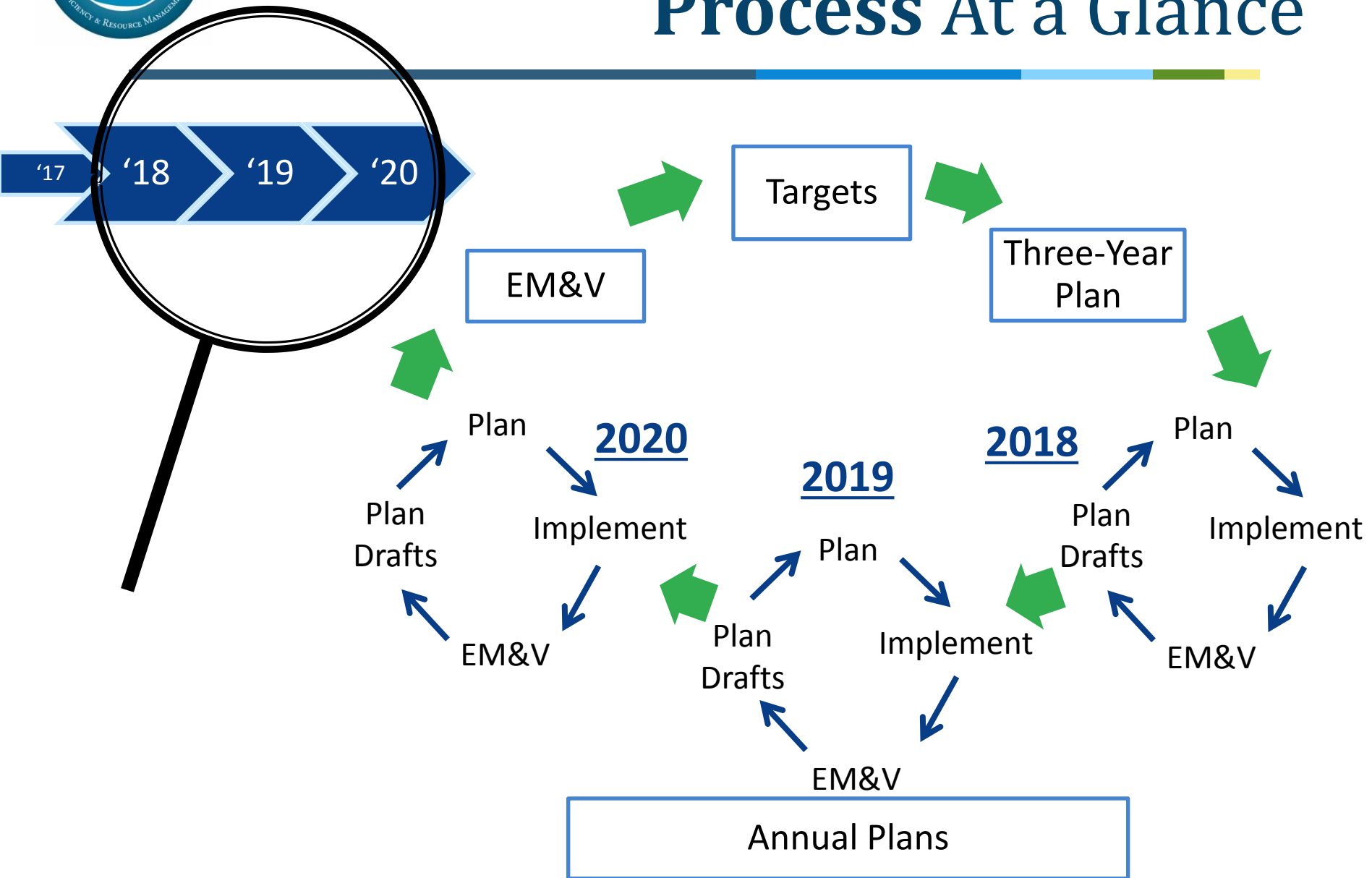
Context & Considerations

Presented By: the Consultant Team

Date: July 20, 2017



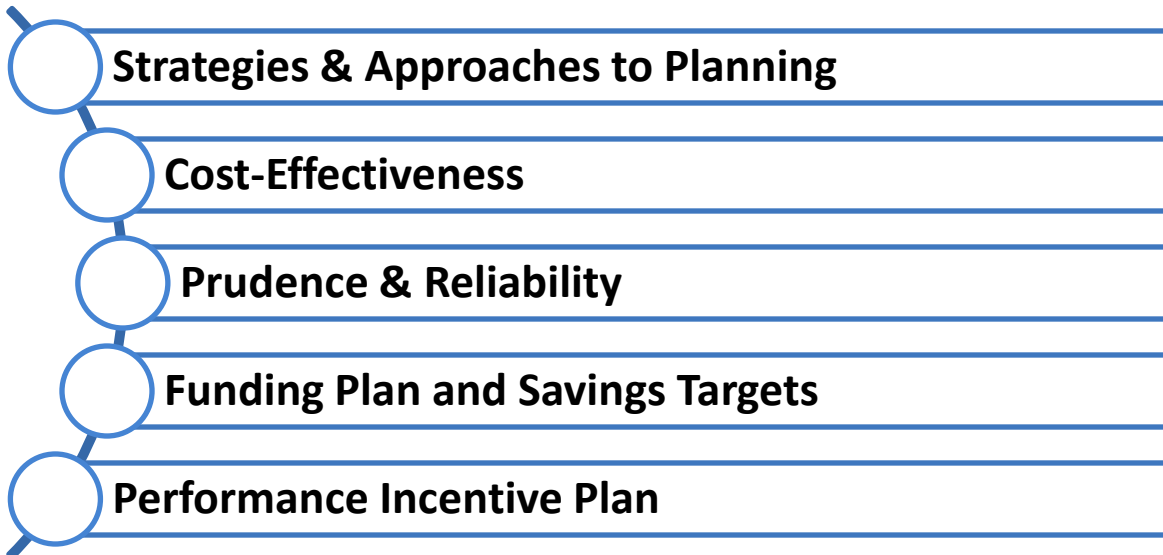
The Three-Year Planning Process At a Glance





The Three-Year Plan

- Due Triennially on September 1st.
- N-Grid is responsible for drafting and filing.
 - N-Grid Works closely with EERMC, C-Team, OER, and the Collaborative to draft the Plan.
- Primary Sections of the Plan:





Factors that Inform the Three-Year Plan

- Targets
- The Rhode Island Benefit-Cost Test (aka: The RI Test) – at a higher level
- Program evaluations and pilots
- Evolving markets
- New and/or improved technologies
- State policy objectives



Core Elements and Strong Points

First draft of the 3-Year Plan represents a solid start to the drafting process

- Final Plan vote: **August 17** EERMC meeting

Core elements that are solidly in place:

Pages 20-24	Application of the RI Test
Page 25	“Energy Efficiency Priorities”
Pages 26-41	Program elements & initiatives covering all sectors



Key Issues

Anticipating changes for second draft; C-Team **sector and topic experts** are:

- Continuing to **review first draft in detail**
- **Coordinating with OER and other stakeholders** to support enhancements

Primary area of attention:

Proposed savings (currently below the Targets proposed by the EERMC and approved by the PUC)



Other Issues

Other key factors that may cause changes to the Plan include:

- **Legislative developments** that may occur via a special session of the General Assembly, which may result in:
 - A cap on spending
 - \$12.5 million, one-time reallocation of program dollars to the State’s general revenue fund
- The **“Funding Plan”** attachment
 - Still being reviewed and vetted; expecting adjustments
 - Final plan will be cost-effective with significant benefits



Other Issues

Other key factors that may cause changes to the Plan include:

- **“Evaluated Adjusted Targets”**
 - Based on preliminary assumptions
 - Proposed attribution values still being reviewed; some studies not yet finalized and values may be adjusted
 - This newly-introduced concept, not historically used for any other plan, may not remain as a term to reference



3-Year Plan **Strengths** and **Enhancement Opportunities**

- The plan addresses many priority topics
 - Areas that are addressed well include:
 - Strategic electrification
 - Moderate income service
 - Financing
 - Delivered fuel offerings
 - Long-term engagement with C&I customers
- But there are opportunities to strengthen the themes and highlight focus areas



Themes to Reframe & Strengthen

- EE for all - provide comprehensive services across **all sectors and market segments**
 - Financing to ensure that all can participate
 - Address underserved segments like delivered fuel customers, moderate income
 - Comprehensive service offerings - deep efficiency, integrated EE & RE
- Get the **most benefit from every dollar** invested in efficiency
 - Optimize financing and incentives to stretch dollars as far as possible
 - Consistent, regular reporting on performance of financing products to optimize investments
 - Tailor the program delivery approach to address market barriers and leverage points (e.g., upstream programs)



Themes to Reframe & Strengthen

- Innovation to capture **untapped savings** and position **EE programs for the future**
 - Strategic electrification
 - Emerging technologies
 - New markets
 - Path to net zero
- **System-level** savings and integration
 - DR and renewables integration
 - Investigate AMI opportunities
 - Optimize EE and DER service delivery at the distribution level for maximum grid benefit



Next Steps

-
- Comments on 1st draft by **Friday, 7/21**
 - **Ongoing engagement with Grid** staff in next week during development of second draft
 - Review 2nd draft delivered on **July 28**
 - Closer review of budget, cost-per-unit-of energy-saved, and other numbers as preliminary values become more refined
 - Continued engagement with stakeholders, including **August 2 Collaborative meeting**
 - Comments on 2nd draft by **August 4**, and summary memos to Council members
 - **Review Final draft delivered on August 10** and prepare finding memo for ERMC ahead of **August 17 EERRMC meeting and vote**

2018-2020 Energy Efficiency & SRP Plan

First Draft

RI EERMC

July 20, 2017



- Residential:
 - Angela Li: Angela.Li@nationalgrid.com
 - Laura Rodormer: Laura.Rodormer@nationalgrid.com
 - Matthew Ray: Matthew.Ray2@nationalgrid.com
- C&I
 - Mona Chandra: Mona.Chandra@nationalgrid.com
 - Ben Rivers: Benjamin.Rivers@nationalgrid.com
 - Alice Hourihan: Alice.Hourihan@nationalgrid.com
- Policy & Evaluation
 - Courtney Lane: Courtney.Lane@nationalgrid.com
 - Rachel Henschel: Rachel.Henschel@nationalgrid.com

- What's Included:
 - Broad descriptions of strategies to achieve savings targets and themes to achieve wider objectives.
 - Illustrates costs, customer charges, and consumer benefits based on best information available at the portfolio level.
 - Budget item for \$12.5M transfer per pending legislation.
 - High level SRP Three-Year Plan included without budget projections.
 - Incorporates stakeholder feedback: delivered fuels, electrification, moderate income, more income-eligible, demand response, and lower 2018 EE charge.

- Support moderate income customers via Capital Good Fund.
- Growing delivered fuels services.
- Electrification of heating.
- Expanding income eligible offerings to more customers in conjunction with enrolling customers on the A-60 rate.
- Lay the groundwork for the future of EE:
 - Home Energy Disaggregation
 - Automated Lighting
 - RNC Zero Energy

- ❑ Lighting Market Transformation.
- ❑ Customer engagement, solutions that bring value to customers and allow for more comprehensive energy efficiency

- ❑ **New Strategies**
 - ❑ Comprehensive EE
 - ❑ Retro Commissioning
 - ❑ New Financing pathways
 - ❑ Strategic electrification – Heat Pump demonstration
 - ❑ Community Initiative
 - ❑ DR – LCI & SMB demonstration

- ❑ **New Technologies**
 - ❑ Lighting technologies – control and connected lighting
 - ❑ Connected technologies

- ❑ **Structure of EE delivery systems**
 - ❑ Investigating new EE delivery approaches (deal team, technical expertise, resources) to achieve comprehensive EE
 - ❑ Automated benchmarking

- ❑ **Build on Current Programs and Offerings**
 - ❑ Indoor Agriculture
 - ❑ CHP
 - ❑ Finance OBR, EBF and C-PACE
 - ❑ SEMP's

- RI Test includes non-embedded (social cost) of carbon and economic multiplier.
- EE Shareholder Incentive:
 - Based on current mechanism
 - Company will work with the EERMC and Collaborative to consider new performance metrics.
 - Any new metric would not be included until 2019.
- SRP Shareholder Incentive:
 - Based off current EE mechanism.
 - Would be tied to annual kW reduction goal to lower demand on identified feeders.

- Recent evaluation results change the amount of savings Company can claim for delivering the same amount of services as required in Targets.
- Reviewing these impacts with the consulting team.
- Electric
 - C&I upstream Lighting Net-To-Gross (NTG) – lowers claimable savings
 - Residential Lighting NTG – lowers claimable savings
 - Home Energy Report Realization Rate (RR) – lowers claimable savings
- Gas
 - Condensing boiler NTG – lowers claimable savings
 - Steam trap NTG – lowers claimable savings
 - Home Energy Report RR – increases claimable savings

Electric	2017	2018	2019	2020
Implementation Budget	\$88,510,555	\$93,642,492	\$93,972,257	\$99,864,594
Total Funding Required	\$94,568,586	\$112,399,003	\$100,246,054	\$106,427,875
Average EE Charge/kWh	\$0.01124	\$0.01033	\$0.01056	\$0.01212
Total Benefits	\$247,871,847	\$359,050,954	\$359,203,387	\$417,465,912
Benefit/Cost Ratio	\$2.00	\$2.69	\$2.99	\$3.22

Gas	2017	2018	2019	2020
Implementation Budget	\$27,750,991	\$27,374,606	\$28,673,820	\$29,707,434
Total Funding Required	\$29,747,068	\$29,326,862	\$30,696,544	\$31,786,671
Average EE Charge/Dth	\$0.805	\$0.812	\$0.817	\$0.840
Total Benefits	\$66,558,401	\$97,492,438	\$101,668,579	\$104,395,077
Benefit/Cost Ratio	1.63	2.68	2.65	2.63

- Incorporate stakeholder feedback.
- Incorporate BC Model review with CTeam.
- Finance study results finalized and ask revised.
- TRC benefit/cost test comparison.
- Incorporation of Codes Study results.
- Electric commitments added to Funding Plan – would impact budgets and EE charge.
- Final draft will show updated projected electric and gas year-end fund balance – would impact EE charge.

- July 21st – **Written comments on 1st Draft due**
- July 28th – 2nd draft distributed
- Aug 2nd – Collaborative meeting for Second Draft
- Aug 4th – **Written comments on 2nd Draft due**
- Aug 10th – Final draft distributed
- Aug 17th – EERMC vote on approving 3-Yr Plan
- Sept 1st – 3-Yr Plan filed with PUC

Memo



To: RI Energy Efficiency & Resource Management Council
From: Consultant Team *Policy & Strategic Planning Group*
Date: July 12, 2017
Subject: Performance Incentives for Energy Efficiency Outcomes

CONSULTANT TEAM

<i>Relevance of Topic</i>	Per the LCP Standards approved by the PUC, the EERMC is directed to review Performance Incentive options for National Grid's energy efficiency program plans.
<i>Content of memo</i>	The memo provides background on the LCP guidance on Performance Incentives, reviews issues and opportunities that make it timely to consider updating performance metrics for the energy efficiency program, and suggests options for new metrics and process steps to move forward. Also, in its review of the National Grid 2018-2020 Energy Efficiency and System Reliability Procurement Plan, the Consultant Team identified a key opportunity to contribute to the Power Sector Transformation initiative by providing input on the Performance Incentive framework – how National Grid earns incentives on its energy efficiency performance.
<i>Expected Outcome</i>	The memo aims to provide information for the EERMC to confirm the value of the Consultant Team continuing to engage with National Grid, the Collaborative, and the Power Sector Transformation process to consider ways to update the Performance Incentive framework. We also welcome input from the EERMC on the specific metrics being considered.

As directed in the Least Cost Procurement Standards (LCP Standards) finalized by the PUC in June 2017, the EERMC is charged with consulting National Grid on its development of a Performance Incentive (or PI) plan as part of the Three-Year and Annual Plans. To support this activity, the Consultant Team developed this memo to provide context and options for considering performance metrics designed to position Rhode Island's energy efficiency programs for continued success in the future. The information provided here should be considered as a contribution to the Power Sector Transformation process currently being led by the Division of Public Utilities and Carriers (Division) and the Office of Energy Resources (OER).

Per the LCP Standards, the Performance Incentive should accomplish the following objectives:

- The PI should be structured to reward program performance that makes significant progress in securing all cost-effective efficiency resources that are lower cost than supply while, at the same time, ensuring that those resources are secured as efficiently as possible.
- The distribution company PI model currently in place in Rhode Island should be reviewed by the distribution company and the Council. The distribution company and Council shall also review incentive programs and designs in other jurisdictions, including those with penalties and increasing levels of incentives based on higher levels of performance.

- The PI may provide incentives for other objectives that are consistent with the goals, including, but not limited to, comprehensiveness; customer equity; lifetime net benefits; increased customer access to capital; and market transformation.

Context – The Rationale to Consider New Metrics

The next three years are a crucial period to position Rhode Island’s energy efficiency programs for the future. During the 2018-2020 period, National Grid can largely carry forward the current program approaches and designs, and continue to obtain robust and cost-effective savings. Indeed, there are key opportunities to reach underserved customers and go after lighting retrofits as the market for LED grows rapidly.

However, starting no later than 2020-2021, several factors will begin to put pressure on the programs such that, if no action is taken, National Grid’s efficiency programs will likely begin to deliver less savings, and the savings may be more expensive to obtain. These key factors include:

- **Rapid transformation of the LED market**, such that LEDs become the baseline technology by 2020. This transformation is likely to hit the residential market before the commercial market, but will ultimately affect both sectors.
- **Rising measure baselines** across the board due to increasing Federal and state standards for a range of equipment, including lighting and HVAC.
- Many easy-to-reach customers will have been served by 2020, and the **remaining customers may be harder and more expensive to reach** for a range of reasons.

In addition to these factors, it is timely to consider how the regulatory framework for energy efficiency programs needs to evolve to better align with Rhode Island’s state policy goals for greenhouse gas savings and power sector transformation. The 2014 Resilient Rhode Island Act establishes goals to reduce greenhouse gases 10% below 1990 levels by 2020, 45% below 1990 levels by 2035, and 80% below 1990 levels by 2050. The state’s Greenhouse Gas Emissions Reduction Plan finds that, in order to meet these goals, Rhode Island will need to pursue both deep energy efficiency and electrification of the building and transportation sectors. Energy efficiency savings as a percentage of 2009 retail sales needs to increase significantly above current levels. Also, to meet the 2050 goal, it is estimated that 81% of residential and 67% of commercial heating load will need to be met with electric heat pumps.¹

Further, led by the OER and the Division, the state has begun a Power Sector Transformation Initiative that includes four work areas:²

¹ Rhode Island Greenhouse Gas Emissions Reduction Plan, December 2016.

<http://www.planning.ri.gov/documents/climate/EC4%20GHG%20Emissions%20Reduction%20Plan%20Final%20Draft%202016%2012%2029%20clean.pdf>

² http://www.ripuc.org/utilityinfo/electric/PST_home.html

- Utility Business Models
- Grid Connectivity and Functionality
- Distribution System Planning
- Beneficial Electrification - Heating and Transportation

The goals of the initiative are to create a next-generation electric grid in Rhode Island that better integrates renewables, gives customers options to control their energy use, and increases system efficiency – all while controlling costs.

Building on the Current Framework

National Grid's 2018-2020 Energy Efficiency and System Reliability Procurement Plan will include a section on Performance Incentives, or shareholder incentives, which are based on the utility's energy efficiency goals. Under the current framework, the performance metrics upon which Performance Incentives are based are very straightforward:

- Annual (first-year) electricity savings in kWh
- Annual (first-year) natural gas savings in therms
- Annual (first-year) demand savings in kW

These performance metrics have been very effective at driving high levels of energy efficiency in Rhode Island over the past decade with relatively minor tweaks and adjustments. However, the current performance framework may be insufficient to encourage the utility to undertake certain important efficiency-related opportunities that match the Rhode Island's goals for greenhouse gas reduction and power sector transformation.

The table below highlights several performance metrics and their ability to address specific efficiency opportunities used by other jurisdictions. These performance metrics are intended to be illustrative of potential metrics that could be considered. They do not, at this stage, represent a proposal for Rhode Island. In addition, given that the savings targets for the 2018-2020 period have already been established, we suggest that any efforts to adjust energy efficiency program metrics during the next three years keep the current performance metrics of kWh, kW, and therms as the core of the performance incentive structure, and that any new performance metrics be in addition to those core metrics.

Illustrative Table of Performance Metrics Used by Other Jurisdictions	
Efficiency Opportunity	Metric Options
Reduce peak demand and encourage installation of controllable, grid-interactive equipment (e.g., LEDs, hot water heaters, heat pumps) – and avoid the installation of long-lived equipment without the option to control the equipment in the future. This is particularly critical during a period where many businesses will be upgrading to LED lighting.	<ul style="list-style-type: none"> • Customer load factor • Coincident peak savings • Percentage of load that is responsive to load management
Encourage fuel switching from oil and propane heat and hot water to heat pumps to reduce greenhouse gas emissions. ³	<ul style="list-style-type: none"> • Greenhouse gas savings • Oil/propane savings • Total Resource Benefits
Encourage projects with deeper savings and long-lived installations, and avoid overreliance on short-lived behavioral savings.	<ul style="list-style-type: none"> • Lifetime energy savings • Total Resource Benefits • Savings as a % of baseline year usage for targeted customers (e.g., businesses participating in commercial custom program)
Reduce energy burden for low and/or moderate-income households	<ul style="list-style-type: none"> • Savings resulting from projects serving low/moderate-income customers • Portfolio spending dedicated to projects serving low/moderate-income customers
Encourage market development and transformation activities, such as work on codes and standards, midstream programs to drive adoption of key efficient technologies (e.g., heat pumps, advanced rooftop units)	<ul style="list-style-type: none"> • Market share of high-efficiency equipment/new construction practices • Customer usage (ratio of sector sales to sector number of customers) • Third-party access to customer information • Number of businesses participating as trade allies in the EE program

It is important to note that the table above represents a spectrum of options for performance metrics to address key efficiency opportunities that are not adequately incentivized under the current framework. It would not be practical, nor desirable, to adopt all of the metrics described above. The metrics are provided, per the LCP Standards, to give insight into “incentive programs and designs in other jurisdictions.” It is important that any energy efficiency performance framework be clear and easy for National Grid to communicate to its staff and partners, and work in conjunction with any overarching, utility-wide, performance metrics established through the Power Sector Transformation initiative. While adding new metrics may increase complexity, any new metrics should be designed with an eye to clarity and consistency.

³ Funding sources for beneficial electrification are under active discussion and would influence the design of any performance incentive.

Suggested Process for Considering New Metrics

We suggest that National Grid, in the 2018-2020 plan, commit to working with the Division, OER, and the Energy Efficiency Resource Management Council (EERMC) in an effort to design an updated performance framework for energy efficiency programs. This effort should be closely coordinated with the Utility Business Models (UBM) work stream currently underway as part of the Power Sector Transformation initiative. That work stream is currently considering enterprise-wide performance metrics to achieve system savings and utility transformation. Performance incentives related to energy efficiency currently represent the largest share of shareholder incentives currently available to National Grid.

The following steps are currently underway, and are intended to align the energy efficiency program with the UBM work stream and engage RI stakeholders in making meaningful progress on the development of new metrics to position energy efficiency programs for the future:

- National Grid has committed in the draft 2018-2020 plan to review and update the state's regulatory framework and performance metrics for energy efficiency (see below for suggested language).
- Working in conjunction with the UBM work stream, OER, Division, EERMC, and National Grid plan to consider options for new energy efficiency-specific metrics and participate in the development of new enterprise-wide performance metrics and areas for implementation including the upcoming rate case, the 2019 Energy Efficiency Plan, and other potential regulatory vehicles.

In addition to these activities, other opportunities may arise to address performance metrics. National Grid and stakeholders should remain responsive to other regulatory developments that may help to advance the discussion.

By working proactively to set a new framework for the next generation of efficiency programs, RI stakeholders will ensure that the least-cost procurement framework remains relevant, and that energy efficiency continues to contribute significantly to Rhode Island's policy goals and power system transformation efforts for many years to come.

Proposed Language for Inclusion in Three-Year Plan

An example of possible language to include in the 2018-2020 Three-Year Plan is as follows:

The proposed Performance Incentive mechanism, applicable to energy efficiency efforts in 2018 to 2020, will initially be based on the same framework as during the 2015 to 2017 performance period. However, given the growing importance of aligning utility investments and performance with the state's goals for power sector transformation and greenhouse gas emissions reduction, the Company will work with the EERMC, the Collaborative, OER and the DPUC to consider new

performance metrics to promote these complementary policy goals through the energy efficiency and demand response programs. Any new performance metrics will be in addition to, not a replacement for, existing metrics for annual energy and demand savings. Specific metrics and performance incentives will be considered for adoption in the 2019 and 2020 Energy Efficiency Program Plans (Annual Plans). The Company is also committed to evolving Performance Incentives for the next Three-Year Plan covering 2021 - 2023.