

The EERMC approval of the second draft of the 2019 Energy Efficiency Plan distributed by National Grid on September 19, 2018 is contingent on the following adjustments. Upon voting to approve the second draft with these adjustments, the EERMC C-Team and OER will confirm all changes were effectively made in the Final Draft before National Grid submits the plan to the PUC by October 15, 2018.

Ref #	Section	Page	Reason/request for change	VOTE: Change from second draft
1	Main text	9	Upon reviewing the calculation, the C-Team discovered an inconsistency and requested that the Company make the correction. This required a recalculation by the Company.	<p>Change the reference to cost of supply values on p. 9 to reflect the updated values:</p> <p><b>Electric</b></p> <ul style="list-style-type: none"> <li>• <b>Cost of Energy Efficiency:</b> \$126.3 million</li> <li>• <b>Cost of Electric Supply:</b> \$415.2 million.</li> <li>• <b>Total savings:</b> \$289.0 million over the lifetime of installed measures.</li> </ul> <p><b>Gas</b></p> <ul style="list-style-type: none"> <li>• <b>Cost of Energy Efficiency:</b> \$42.6 million</li> <li>• <b>Cost of Gas Supply:</b> \$67.7 million</li> <li>• <b>Total savings:</b> \$25.1 million over lifetime of installed measures.</li> </ul>
2	Main text	34	Navy CHP project completion date moved to no earlier than 2020. Language describing the project should be removed from that section. Collaborative recommendation to not providing advance “pre-funding” in 2019. \$2.8 million removal shown in Tables E-1 (sbc), E-2 (Large Commercial Retrofit). This also results in corresponding decrease in “regulatory” funding to OER/EERMC of ~\$28,000 each in Table E-2	<p>Remove language referencing the Navy CHP project from p. 34:</p> <p><del>Specifically, in 2019, the Company proposes to make a commitment to BQ Energy for a large-scale CHP at Naval Station Newport that is planned to be operable in 2020 and commissioned in 2021. The Company notified the Commission of the project in May 2018 in Docket 4755. The Company proposes to commitment \$3 million from the 2019 budget for the incentive, which is anticipated to be paid in 2020. The Company has precedence for commitments for large projects such as the large CHP project at Toray Industries in 2012. This commitments serves several purposes: it ensures adequate funding for the project will be available in 2020, diminishes fluctuations in the customer charge by collecting the funding over multiple years instead of in one year, and</del></p>

				ensures adequate funding for all other C&I customers should unanticipated challenges to funding occur in 2020, such as state legislated caps on least cost procurement. Additionally, in 2019,
3	Main text	49	Carbon Test Metric - The text was deemed to be insufficient by OER and other stakeholders for the need to start tracking carbon equivalents, and language has been proposed to sufficiently enhance that section.	Add text to p.49 as follows:  <u>In addition to tracking carbon reductions for the purpose of this metric, the Company will strive to track greenhouse gas equivalent savings (in carbon dioxide equivalents) resulting from all electric and natural gas measures in the Plan. The Company will report out on any issues it encounters in striving to report in terms of carbon dioxide equivalents.</u>
4	Attachment 1	35	In the Main Text, there is reference to N.E.E.D. Education Program in the list of residential programs (p. 20) but no corresponding detail in Attachment 1. The C-Team requested this be addressed and language added. National Grid will add description in the Marketing section of Attachment 1, p. 35The Company promotes energy education to private and public schools and youth groups through the National Energy Education Development (N.E.E.D) Program. This program provides curriculum materials and training to students and teachers in grades K-12.	Add text detailing N.E.E.D. program in Marketing section of Attachment 1, residential programs
5	Attachment 2 <i>Section 2 b. ii. g. Lodging Hospitality</i>	17	To further enhance this program area of Lodging/hospitality, a request was made by the C-Team to add an indicator that different avenues are being explored to incorporate MOUs into this delivery stream.	Add the following language on p. 17 of Attachment 2:  <b>National Grid continues to investigate whether an MOU structure with hotel chains or a vendor based program, similar to the GrocerSmart initiative is the</b>

				optimal path forward. The Company expects to incentivize various energy efficiency measures including ozone laundry and polymer laundry solutions, as applicable, through this initiative.
6	Attachment 2 Section 2 c. iii. Online Trade Ally Training on Advanced Lighting Systems	22	To further enhance this program area of training, the C-Team requested to add more detail, including who this training is targeting and when it is launching.	Add the following language to page 22 in Attachment 2: This training will target trade allies (ESCOs contractors), internal sales teams, vendors, architects, designers, manufacturers' representatives, distributors and customers. Success will be measured by an increase in program participation and a reduction in project processing for incentives. This platform will be implemented in early 2019 and hosted and managed by a vendor, who will also track participation through the online training platform.
7	Attachment 2 Section 3c. ii. Whole Building Approach for New Construction	41	Request was to consider revising this section to require new construction projects to achieve 20% better than code through savings in at least two end uses. As discussed, this would help to improve comprehensiveness of savings beyond lighting in NC.	Add the following language to page 22 in Attachment 2: In 2019 the Company will also study criteria for participation in this approach, by end use, and look to increase program participation requirements by end uses, like HVAC, to achieve a prescribed % better than standard practice baseline and will look to implement results from this study in the 2020 EE Annual Plan.
8	Attachment 5 Electric Budget Tables	1-3	Collaborative consensus was to recommend removing the \$2.8 million pre-funding of the Navy CHP in the second draft. Removing this amount from Table E-3 will also require adjustments to "Regulatory" funding in Tables E-2 and E-3, reducing EERMC and OER allocations from \$811,300 to \$783,600 each.	The EERMC directs Grid to remove the \$2.8 million from commitments in Table E-3, and then correct the related modifications from that reduction.

			Also, the removal of the \$2.8 million results in a corrected (lower) sbc in Table E-1.	
9	Attachment 5 Electric Budget Tables		<p>Following the C-Team’s completion of the EE Plan Findings memo and its Cost-Effectiveness Report, National Grid notified the C-Team of a linking error in the electric BCR model that impacted the calculation of non-embedded carbon savings applied to gas savings measures in the electric portfolio. Upon fixing the linking error, National Grid noted the following impacts:</p> <ul style="list-style-type: none"> <li>• Total electric benefits are reduced from \$523,429,585 to \$487,803,270</li> <li>• Non-embedded carbon benefits are reduced from \$112,687,563 to \$77,061,248</li> <li>• Electric supply cost decreased to \$415,219,307</li> <li>• BCR of the residential programs shifted downward, with the total portfolio BCR being reduced from 4.29 to 4.00</li> </ul> <p>The C-Team reviewed the error with National Grid and confirmed the resulting impacts. These impacts are accounted for in the updated version of the C-Team’s Cost-Effectiveness Report. Any language in the Plan text and tables that references these benefits will need to be updated for the Plan filing.</p>	The EERMC directs National Grid to update the relevant text and tables to accurately reflect correction to the linking error.
10	Whole document		Edits to text in multiple sections for spelling, grammar, acronym reference and other cosmetic enhancements	The EERMC directs to update the document on non-substantive items, to be reviewed by the EERMC C-Team and OER.