

Memo



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

To: Energy Efficiency & Resource Management Council
From: EERMC Consultant Team
CC: Becca Trietch
Date: February 20, 2020
Subject: EE and SRP Technical Working Group Updates

CONSULTANT TEAM

National Grid's Energy Efficiency (EE) Technical Working Group (TWG) and the Systems Reliability Procurement (SRP) TWG recently convened to discuss and gather feedback on relevant EE and SRP topics. The following intends to provide you with a high-level update regarding topics discussed at each meeting. Additional information about the TWG is on National Grid's website.¹

1. ENERGY EFFICIENCY TECHNICAL WORKING GROUP

The EE TWG met on Friday, February 14th. The primary meeting agenda items included the following:

- EERMC's Potential Study
- Target Setting
- EE Standards Updates

Potential Study Update

Sam Ross of the EERMC consultant and the team's technical lead for the EERMC Market Potential Study facilitated a presentation and discussion about the status of the study. Preliminary results and findings have been shared by the evaluator (Dunsky) with the Market Potential Study Management Team and National Grid. Mr. Ross presented illustrative wide-ranging potential savings estimates. The C-Team made it clear that the estimates are in draft form, need more refining, and will be certain to change in the next iteration of findings.

The C-Team also facilitated discussion and gathered feedback on key factors that will impact potential study results. These key factors included savings timeframe (lifetime vs. annual savings) and savings units (MMBtu vs. kWh/therm). Regarding the discussion of lifetime vs. annual savings, a straw poll showed that EE TWG members feel that the savings timeframe should shift to lifetime savings. With a transition to lifetime savings, some items to be mindful include customer impacts and discount levels. While a preference for Targets to be set in lifetime values was clear, it was also emphasized that tracking and reporting of annual savings and other key metrics will remain important. During the discussion regarding measuring savings in MMBtus vs. kWh/therms, the C-Team presented the same recommendation as made to the EERMC in January: given the ongoing deliberations on MMBtu factors in neighboring jurisdictions, it would be premature to shift away from the specific electric and gas metrics. There were no immediate concerns about this approach expressed by the group.

Target Setting

Key considerations for the target setting process discussed by the EE TWG included balancing resource acquisition and market transformation, taking advantage of natural building retrofit cycle, maintaining a sustainable EE program lifecycle, and supporting workforce development.

¹ <https://www.nationalgridus.com/ri-energy-efficiency-technical-working-group>

Key dates for the EERMC potential study and target setting are outlined here.

February

- 2/14 – MPS Management Team & Grid submitted final input to Dunsky
- 2/26 – Dunsky and EERMC presentations at PUC Tech Session
- 2/27 – EERMC meeting to present draft results (Dunsky) and Targets Recommendation Report outline (C-Team)

March

- 3/1 – 3/12 – MPS Management Team meets with stakeholders and individual council members (schedules TBD)
- 3/13 – Dunsky submits Final Results
- 3/13 – C-Team submits Targets Recommendations Report to EERMC
- 3/19 – EERMC meeting - Vote on 3-year Savings Targets

Standards Updates

The EE Standards are getting updated in 2020. The RI Public Utilities Commission (PUC) is responsible for updating the document but is requesting feedback and suggestions from stakeholders. EE TWG participants provided suggestions for Standards updates and included

- Define the term participation
- Define the term equity
- Define tracking, reporting and metrics
- Expansion of definition of prudence to include a reference to being mindful of bill impacts
- Support OER's proposed addition of the locational value of EE Programs
- Supportive of equity requirements, more work/clarity required on the definition of equity
- Supportive of references to holistic look at PIMs
- Interest in exploring the cadence of EE filings with mandatory 3-year plans supported by annual modification docs.

The PUC will be hosting a technical working session on Wednesday, February 26th to review and discuss LCP Standards update suggestions.

2. SYSTEM RELIABILITY PROCUREMENT TECHNICAL WORKING GROUP

The SRP TWG met on Wednesday, January 15th and again on Wednesday, February 19th. The primary meeting agenda items for these meetings included the following:

- Non-Wires Alternatives Website Introduction
- Updates on SRP accounting errors and upcoming NWA RFPs
- 2020 Stakeholder Priorities Discussion
- SRP Standards Discussion

Non-Wires Alternatives Website Introduction

- National Grid reviewed recent updates to the Non-Wires Alternatives (NWA) and System Data Portal websites.
- A key feature of the recent updates is a clear navigational path from National Grid's homepage to the System Data Portal which should allow potential vendors to more easily access it.

- The Portal also now has clear information on opportunities, an updated user guide, a FAQ section, and an updated NWA tab.

Updates on SRP Accounting Errors and Upcoming NWA RFPs

- National Grid teams met internally in January to review the fund balance tracking spreadsheets in depth in order to resolve the accounting errors. In February, Matt Chase informed the SRP TWG that National Grid would be testing the revised model in early March to make sure identified resolutions were working properly.
- National Grid gave updates on three potential upcoming RFPs for NWA projects. These included the Bristol 51 NWA opportunity that was a result of the East Bay area study outlined in the 2020 SRP Report. It also included the Narragansett 42F1 and South Kingstown NWA opportunities that received no viable bids last year and would likely go back out to bid with revised RFPs in the next couple months.

2020 Stakeholder Priorities and Standards Discussions

- SRP TWG stakeholders discussed stakeholder priorities for the SRP Standards Update and stakeholder priorities for 2020 and 2021.
- Some priorities discussed for the Standards Update included clarification of the Council's role in reviewing SRP plans, Non-Pipe Alternatives (NPA) and inclusion of Natural Gas in the Standards, and alignment of SRP to National Grid's Infrastructure, Safety, and Reliability (ISR) Plan.
- In February, the SRP TWG also discussed deep dive topics for discussion in 2020. These included a review of example NWAs and NPAs in other jurisdictions that could work for Rhode Island, inclusion and further exploration of gas considerations within SRP, energy forecasting, locational incentives, and how SRP might interact with Docket 5000.