

2021-2023 Energy Efficiency Plan Outline Memorandum

April 30, 2020

nationalgrid



Agenda

- Background
- Purpose
- Key Areas of Focus
 - EE Technical Working Group Stakeholders
 - National Grid Sector Strategy Teams
- Next Steps – Timeline for Stakeholder Involvement

Background

- Following from the Annual Plan process in 2020, National Grid implemented a new step in the Three-Year Plan process for the 2021 – 2023 Plan.
- Plan Outline memo provides stakeholders an earlier look, approximately two months earlier than past three-year plans, to priority areas the Company is developing for the Three-Year Plan
- Several Key Dates to note:
 1. Plan Outline Memorandum (Outline) is issued for the first time, on April 30th.
 2. First draft of the plan is moved up approximately one month early, to June 11th.
 3. Additional review time afforded between the first draft and final draft, circulated August 13th.

Purpose

- The Outline was created to give Stakeholders more visibility into areas of focus for the 2021-2023 Three-Year Plan as early as possible in the planning process.
- Provides a preview of key priority areas for the Company, themes and highlights areas different, or of a larger focus, than in previous years. Current topics reflect those put forward by the Company or raised by multiple parties during the stakeholder presentation process. It does NOT represent all topics that will be covered.
- Savings, benefits, or budgets are NOT included as detailed planning and cost benefit screening has not yet taken place.
- As PUC guidance on Three-Year Plan content is not yet finalized, adjustments to content and structure should be expected once revised Least Cost Procurement standards are issued.

Requested Key Areas of Focus from EE Technical Working Group Stakeholders

- Cost-Effectiveness and Cost-Efficiency; Reap Benefits for Ratepayers at Reasonable Cost
- Customer-Centric Program Adjustments and Continuous Engagement
- Emphasis on Equity, Including Support for Renters and Multifamily
- Local Workforce Support and Development
- Decarbonization, Including through Demand Response, Electrification, and Efficient New Construction
- Portfolio Diversification, Balancing Long-Term and Short-Term Savings
- Innovation and Creativity to Maintain National Leadership
- Finance Opportunities

Key Areas of Focus for National Grid (Sec. 3 of Plan Outline Memo)

- Following from the input received by Stakeholders, the Company puts forward these six primary strategies across Commercial and Industrial, Residential, and Income Eligible sectors.

Deepen **customer relationships** and **increase participation** across all customer classes.

Drive **comprehensive measures**, tailoring programs to customer- and technology-based opportunities.

Expand **demand response**.

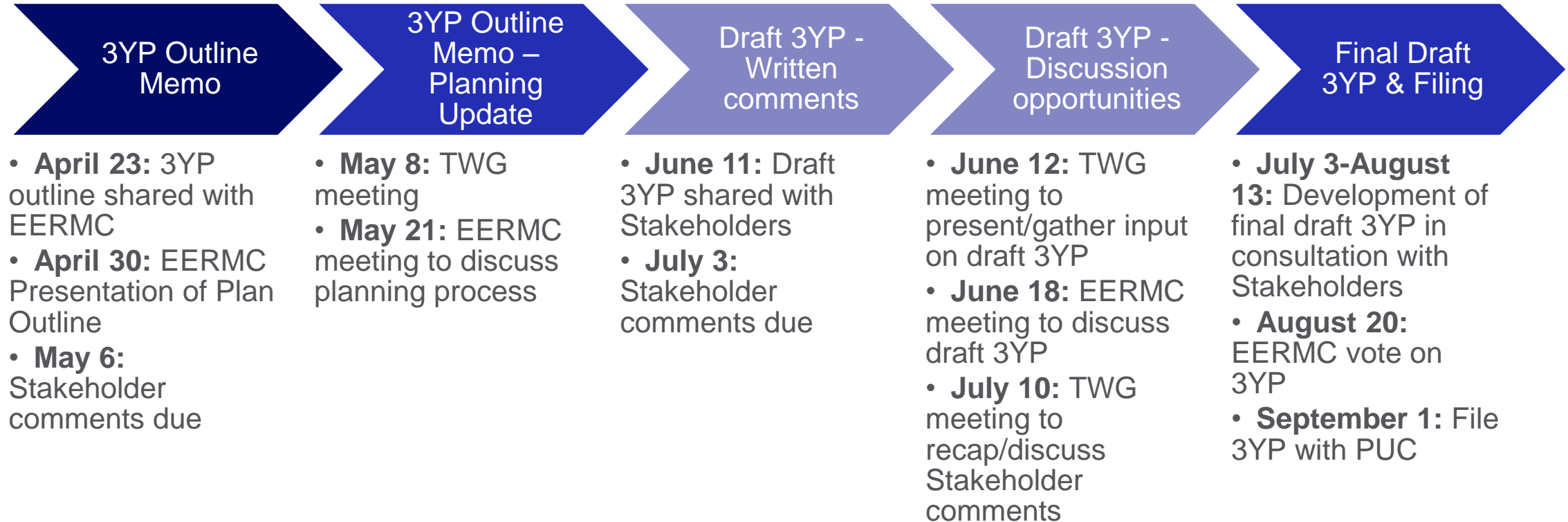
Explore **cutting-edge technologies**, including heat pumps, to the extent permissible.

- Cross-cutting all programs, the Company proposes to:

Restore and improve Rhode Island's efficiency industry in response to COVID-19 impacts.

Expand financing and seek **alternative funding** to support program development and customer adoption to minimize impact on customer surcharge

Next Steps - Timeline for Stakeholder Involvement



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