

# System Reliability Procurement 2021-2023 Three-Year Plan

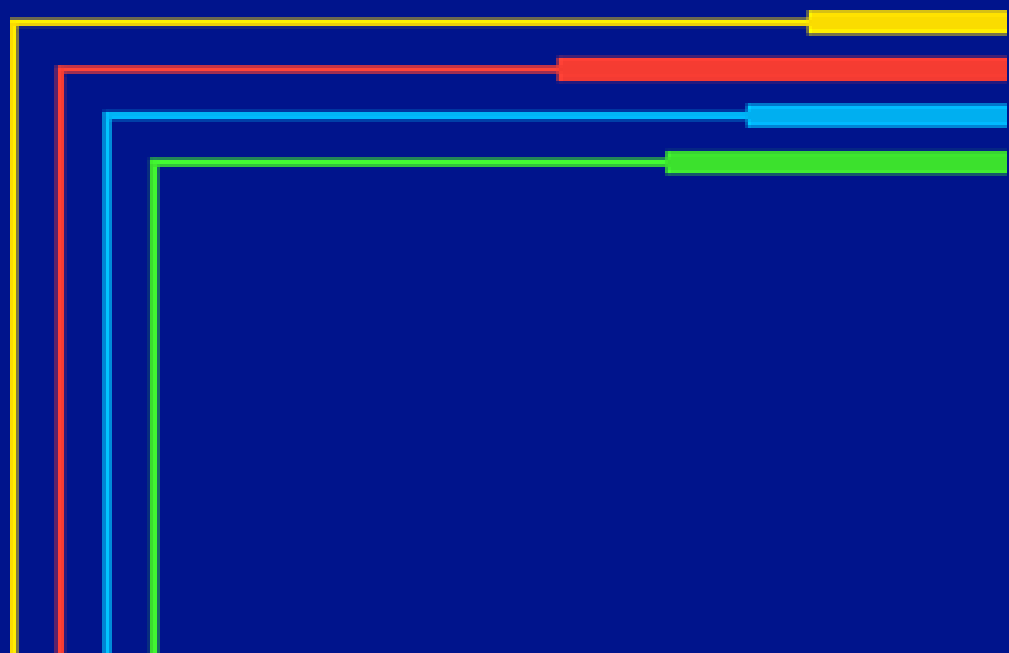
## Second Draft

EERMC: October 8, 2020

SRP TWG: October 28, 2020



# Reason for SRP



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# Reason for SRP

To identify alternative solutions through **customer and grid-side opportunities** that are **cost-effective**, **reliable**, **prudent**, **environmentally responsible**, and provide the path to **lower supply and delivery costs** to customers in Rhode Island.

- The Company primarily carries this out through the proposal and implementation of **Non-Wires Alternative (NWA) projects** in SRP.
- **NWA** is the inclusive term for any **electrical grid investment** that **defers or removes the need** to construct or upgrade an electrical system.
- National Grid is also researching **Non-Pipes Alternative (NPA)** opportunities.

NWAs are the core component of SRP

# Differences between Plans

ISR?

- NWAs align with the Least-Cost Procurement (LCP) statute ( § 39-1-27.7).
- Alternative solutions fall outside of the purview of the Infrastructure, Safety and Reliability (ISR) Plan.

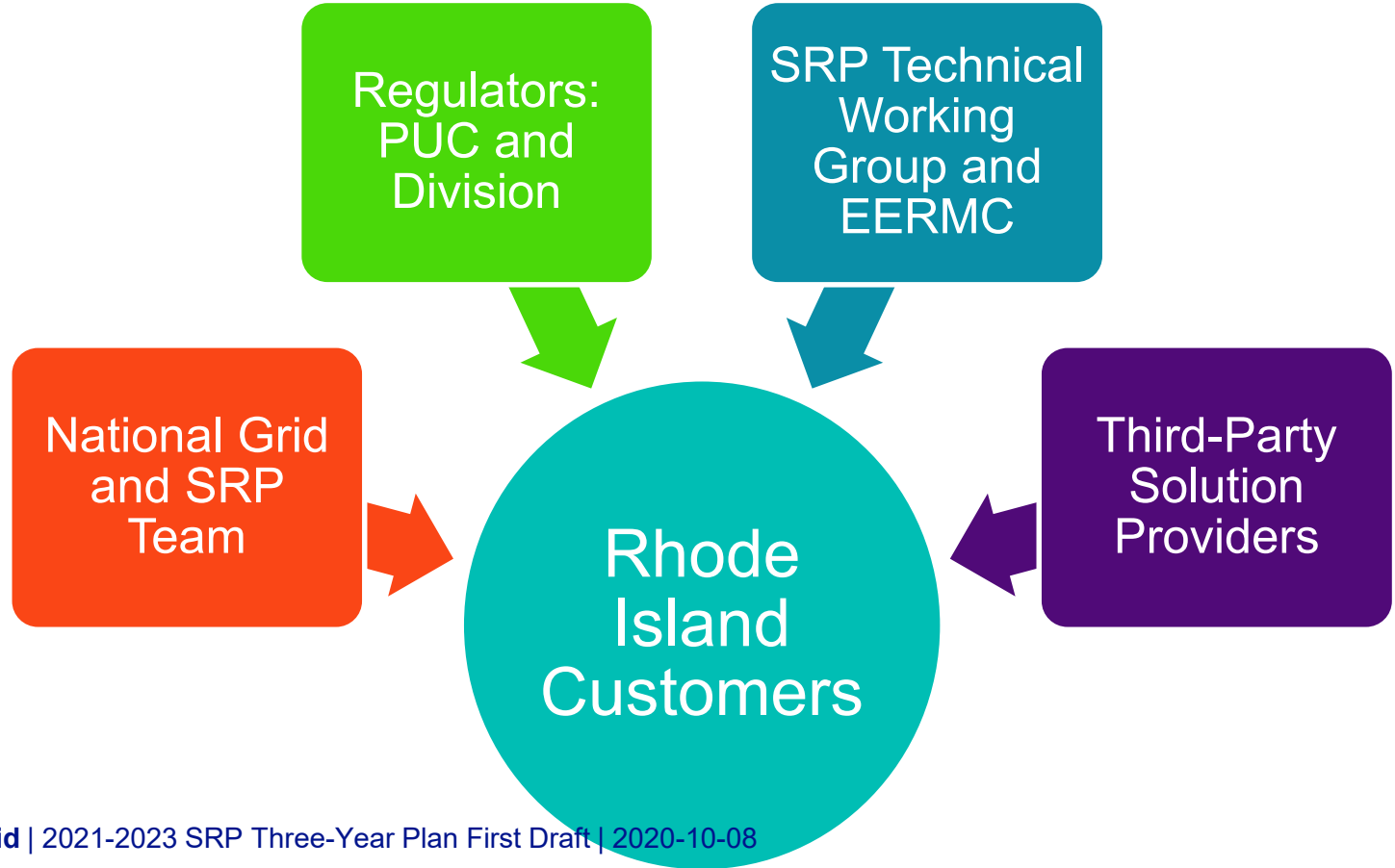
EEP?

- NWAs do not approach the electrical system in the same bulk-level manner as energy efficiency.
- NWAs do not fall within the Energy Efficiency Program (EEP) Plan.

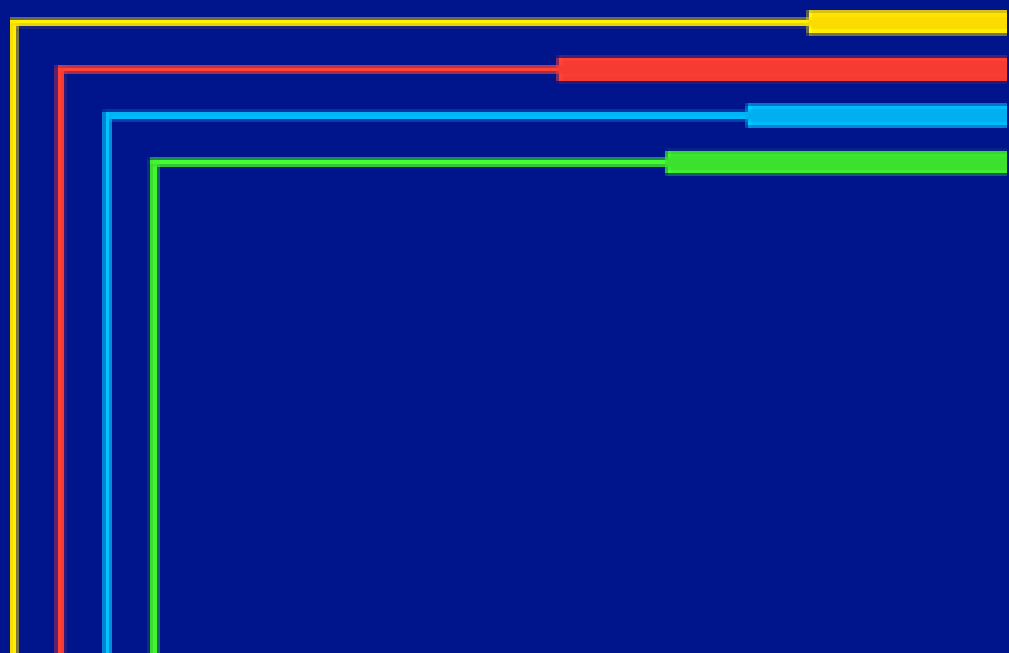
SRP

- NWAs are an integral part of reliability and distribution system planning, yet are not “traditional” distribution system work.
- NWAs are alternative solutions to address targeted electrical system needs.

# Who's involved with SRP?



# 2021-2023 SRP Three-Year Plan Development



# 2021-2023 SRP Three-Year Plan Development

## First Draft

Content development starts, major edits from prior plan made, some items TBD

July 17<sup>th</sup>:

Circulated to SRP TWG and EERMC

August 14<sup>th</sup>:

Stakeholder comments due on First Draft

## Second Draft

Refinement and revisions to content, numbers start being entered

September 11<sup>th</sup>:

Circulated to SRP TWG and EERMC

September

25<sup>th</sup>: Stakeholder Comments due on Second Draft

## Final Draft

Finalization to content and numbers

October

29<sup>th</sup>: Circulated to SRP TWG and EERMC

November 12<sup>th</sup>:  
EERMC Vote

November 20<sup>th</sup>:  
2020 SRP Report filed with PUC

# What's New in the 2021-2023 SRP 3YP Second Draft?

- Added language on NPAs/gas to the Executive Summary.
- Reworked the NPAs in System Planning section to clearly detail the Company's NPA program plan.
- Added significant detail in Section 3 on LCP Standards alignment, particularly Cost-Effectiveness.
- Added Section 7.5 to detail analysis of existing system needs.





# Planned Edits for the 2021-2023 SRP 3YP Third Draft

- Clarification on LCP cost-effectiveness criterion (Section 3.2).
- Further clarification on NWA process (Section 7.3).
- Additional detail on NPA Program development (Section 8.2).
- Additional detail on location-targeted EE/DR.
- Company will circulate the new, formalized RI NWA BCA Model to the C-Team for technical review and assessment of cost-effectiveness alignment on October 9<sup>th</sup>.



# SRP Proposals Summary

SRP Section	SRP Initiative/Proposal	Requested Ruling
5	SRP Funding Mechanism	The Company requests the PUC approve the Company's proposal that opex-based SRP investments be funded through the System Benefit Charge, or Energy Efficiency (EE) Charge, on customers' bills.
5	SRP Funding Mechanism	The Company requests the PUC approve the Company's proposal that capex-based SRP investments be filed and proposed in an SRP Investment Proposal.
6	SRP Performance Incentive Mechanism	The Company requests the PUC approve the Company's proposed performance incentive mechanism (PIM) for calendar years 2021 through 2023.
7.2	NWAs in System Planning	The Company requests the PUC approve the proposed NWA screening criteria for Rhode Island as detailed in Table 5 for calendar years 2021 through 2023.
8	NPAs in System Planning	The Company requests the PUC approve the development plan for the Non-Pipeline Alternatives (NPA) program in calendar years 2021 through 2023.
12	SRP Timeline: SRP Investment Proposals	The Company requests the PUC rule on SRP Investment Proposals within 60 days of filing.
12	SRP Timeline: Year-End Reports	The Company requests the PUC approve the annual reporting plan for SRP Year-End Reports for calendar years 2021 through 2023.

*New proposal additions since SRP 3YP First Draft are highlighted in green.*

# SRP Commitments Summary

SRP Section	SRP Commitment
7	The Company plans to continue analyzing its current NWA screening and development processes to determine how NWAs might be best considered as both complete and partial solutions.
8	The Company commits to performing further background research on NPAs, to exploring how NPAs align with Company policy and the Least Cost Procurement Standards (LCP Standards), and to build out the NPA program over calendar years 2021 through 2023. The Company commits to engaging with stakeholders to discuss and understand opportunities and challenges regarding NPAs.
8.2	The Company intends to engage stakeholders continually throughout the development of the NPA program over the next three years via SRP TWG meetings. The Company intends stakeholders to be engaged during the development of specific program parts, as detailed in Section 8.2.
8.2	The Company commits to produce a detailed initial NPA Program at the end of the 2021-2023 SRP Three-Year Plan cycle.
11	The Company recognizes that improved synchronization between SRP and Power Sector Transformation (PST), the Energy Efficiency Program Plan (EE Plan), the Infrastructure, Safety and Reliability (ISR) Plan, the Grid Modernization Plan (GMP), and the Advanced Metering Functionality (AMF) Business Case is necessary and intends to maintain and improve coordination between these filings.
11	Therefore, the Company commits to continued stakeholder engagement and continued participation in enhanced discussions regarding SRP, NWA, and related policy and programs with stakeholders.
11.1	The Company will commit to maintaining alignment between SRP and AMF with regard to the AMF Data Governance and Management Plan and will participate in future collaborative discussions about data access and security.

*New commitment additions since SRP 3YP First Draft are highlighted in green.*

# SRP Funding Request

Funding request for next three-years anticipated to be **\$0 incremental cost** for the **Portal** and **SRP Market Engagement**.

**NWA and NPA projects to be filed in SRP Investment Proposals, therefore reflected as TBD in SRP 3YP.**

SRP Section	SRP Initiative/Proposal	CRM	CY 2021	CY 2022	CY 2023
6.1	SRP Incentive Mechanism, Savings-Based Incentive	EE Charge	TBD	TBD	TBD
7	NWAs in System Planning	TBD	TBD	TBD	TBD
8	NPAs in System Planning	TBD	TBD	TBD	TBD
9	Rhode Island System Data Portal	EE Charge	\$0	\$0	\$0
10	SRP Market Engagement	EE Charge	\$0	\$0	\$0
<b>Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# 2021-2023 SRP 3YP – Next Steps

**Second Draft Review:** Comments received Friday September 25<sup>th</sup>.

**Third Draft Circulation:** Circulation planned for October 29<sup>th</sup>.

**SRP Plan Development:** Continuing discussions with SRP TWG members on draft development, priorities, and proposals.

**Plan Refinement:** Company continuing content refinement and numbers determination.



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