



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

## Consultant Team Review Final Draft of the 2022 Annual Plan

**Presented By:** EERMC Consultant Team

**Date:** September 16, 2021



# Outline

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Introduction

Consideration of All Cost-Effective Savings

Savings Trends in EE Plan Development

Responsiveness to EERMC Comments

EERMC Vote Options



# Introduction

Received Final Draft of the 2022 EE Annual Plan on September 8<sup>th</sup>

Narrative text on 8<sup>th</sup>, BC Models on 9<sup>th</sup>

Expected Final Draft to address concerns raised by the EERMC and other stakeholders

Including comments provided to the Company based on Status Report presentations at 8/19 Council Meeting and 8/26 EE Technical Working Group meeting

This presentation summarizes C-Team's preliminary findings and our assessment of the Plan's responsiveness to EERMC concerns and priorities

Next steps, including vote options for the EERMC to consider at its 9/23 meeting, provided at the end of this presentation



# CONSIDERATION OF ALL COST-EFFECTIVE SAVINGS





# Budgetary 'Top-Down' Planning a Concern

EE Plans should comprehensively and transparently consider all available cost-effective savings prior to applying limiting factors of prudence and reliability

National Grid developed EE Plan 'top down' in order to not exceed perceived budget constraint of 5% increase from 2021

Originated from PUC requested compliance filing in 3-Year Plan docket

3-Year Plan goals and budgets are illustrative and do not represent a binding constraint



# Were All Cost-Effective Savings Considered?

Planning within a budget may not capture all available savings

Perceived budget constraint may impact proposed levels of program activity and savings

Critical to understand what is being “left on the table”. Need to see both:

1. Program activity that was included
2. Program activity that could have been included with higher budgets

Company did not provide sufficient information regarding item #2 above

**Precludes determination of whether all cost-effective savings were considered**

**Also difficult to assess whether portfolio mix is optimally cost-effective, per LCP Standards**



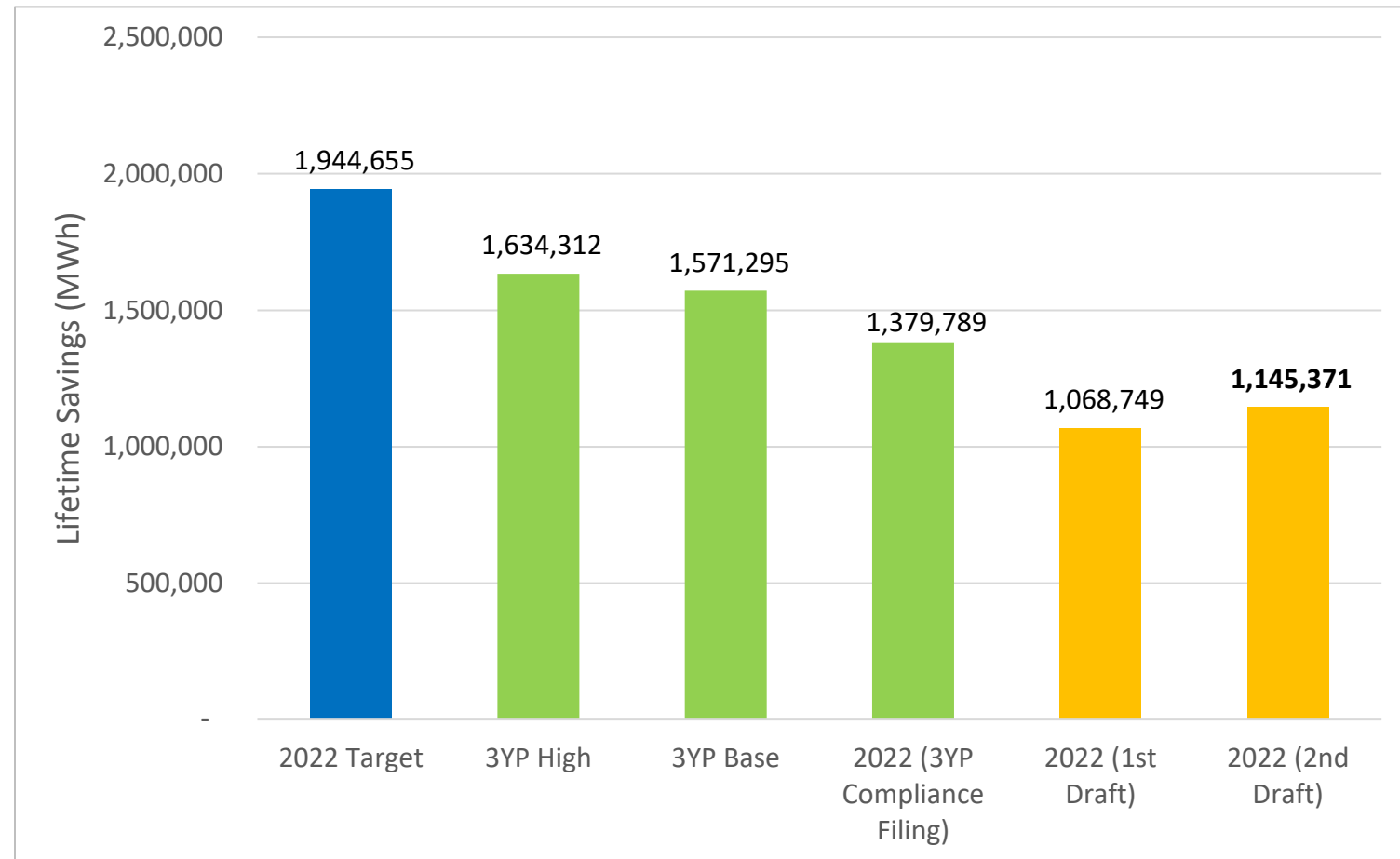
# SAVINGS TRENDS IN EE PLAN DEVELOPMENT





# Electric Portfolio (Lifetime MWh, 2022)

At the portfolio-level, lifetime Electric savings increased 76,622 MWh between the first and second draft of the 2022 Annual Plan, but still fall short of the 3YP 2022 “High” Scenario by 488,941 MWh.

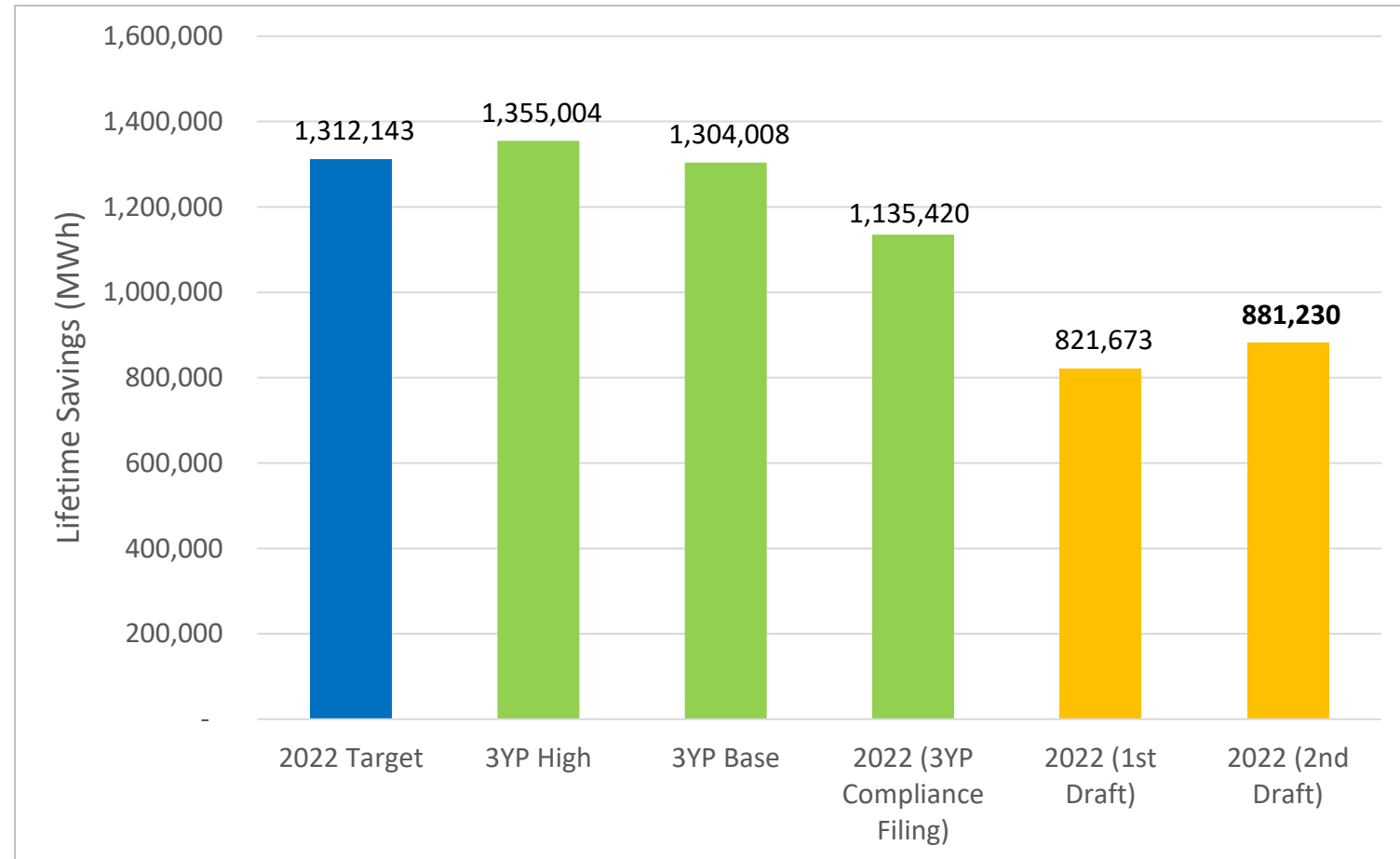






# Electric C&I (Lifetime MWh, 2022)

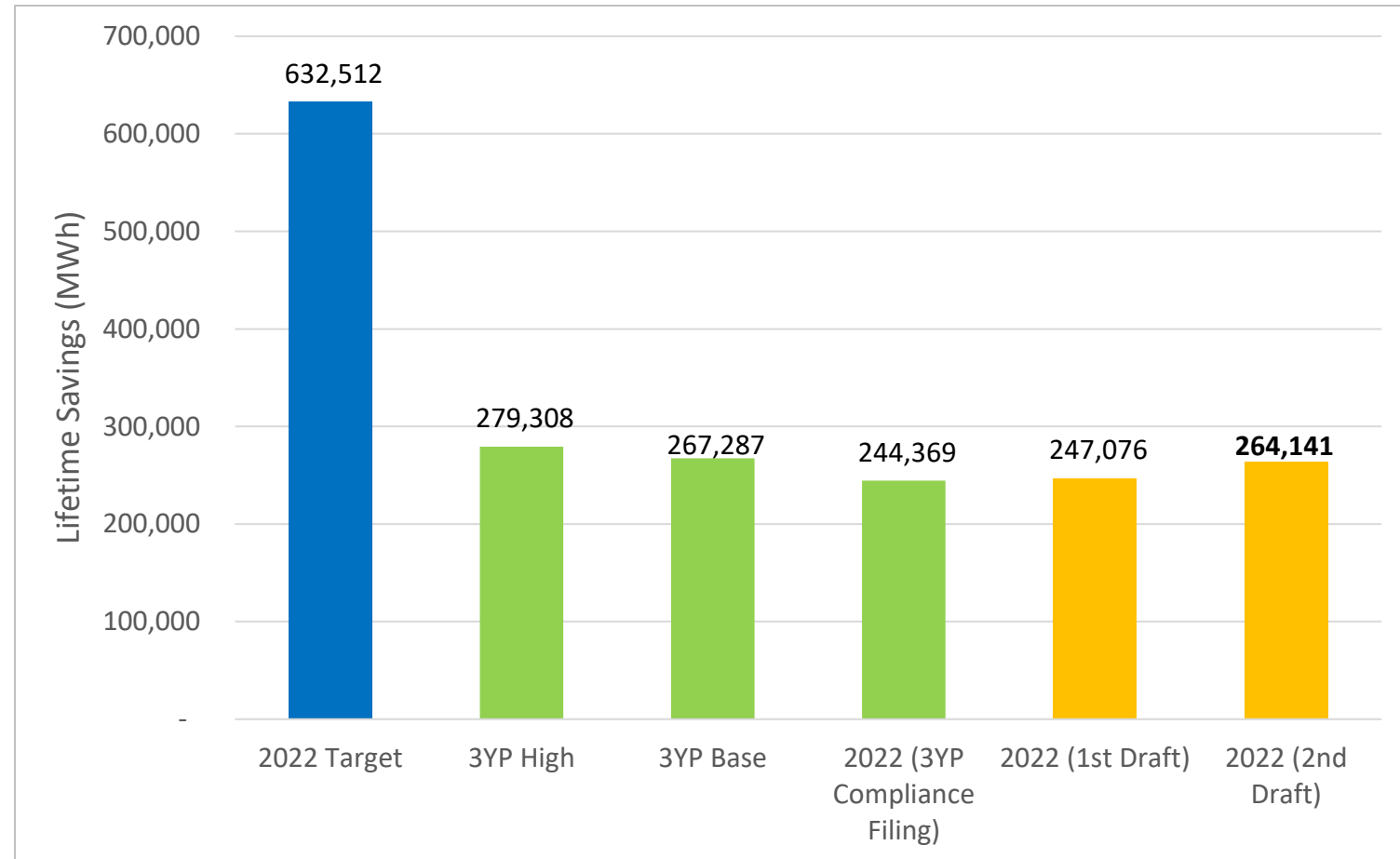
Lifetime Electric C&I savings increased by 59,557 MWh from the first to second draft, but the 3YP 2022 “High” Scenario included an additional 473,773 MWh.





# Electric Res/IES (Lifetime MWh, 2022)

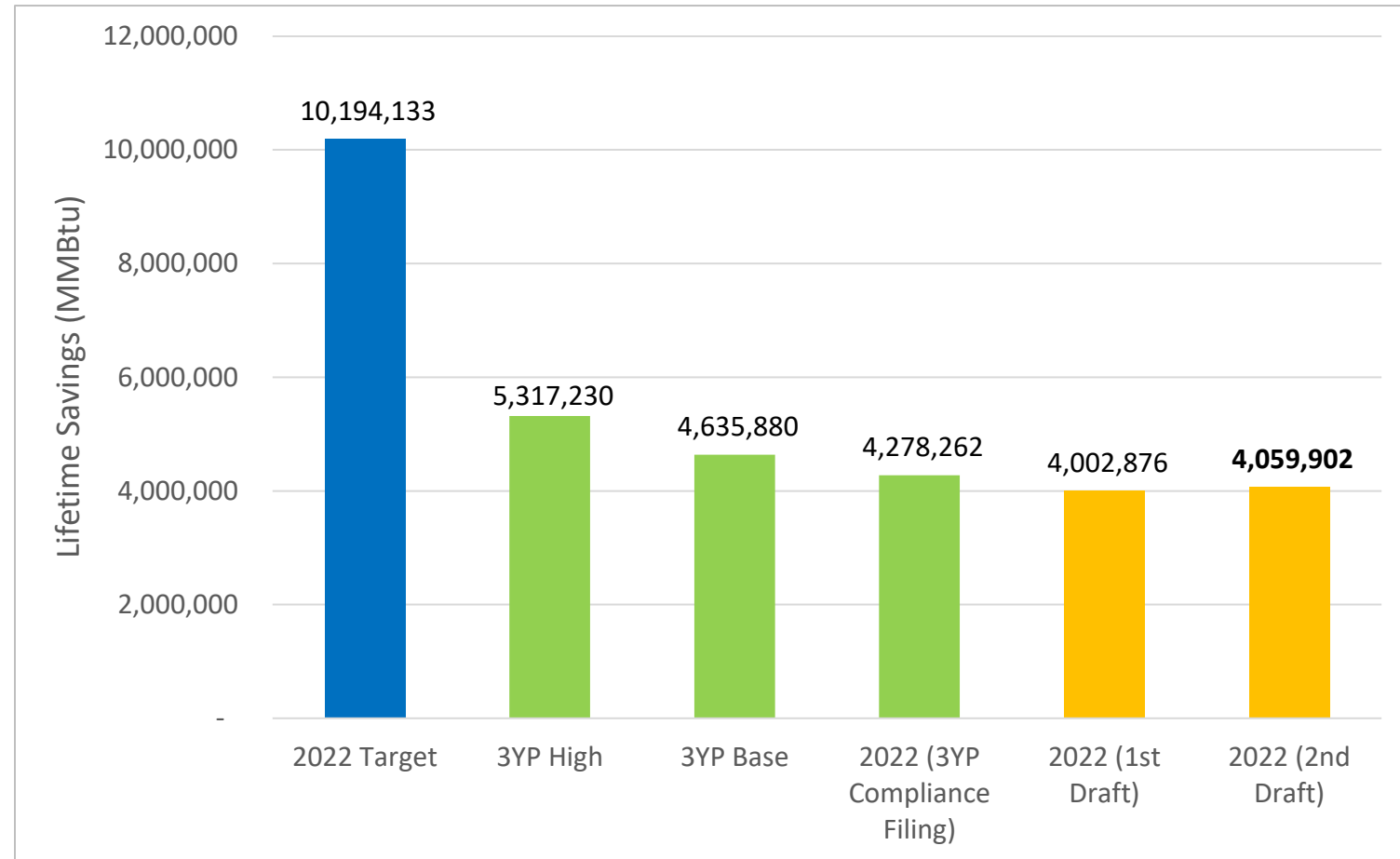
For the Residential and Income Eligible sectors, 17,065 lifetime MWh from additional savings opportunities were included in the second draft of the 2022 Annual Plan, leaving a gap of 15,168 MWh between the second draft and 3YP 2022 “High” Scenario.





# Gas Portfolio (Lifetime MMBtu, 2022)

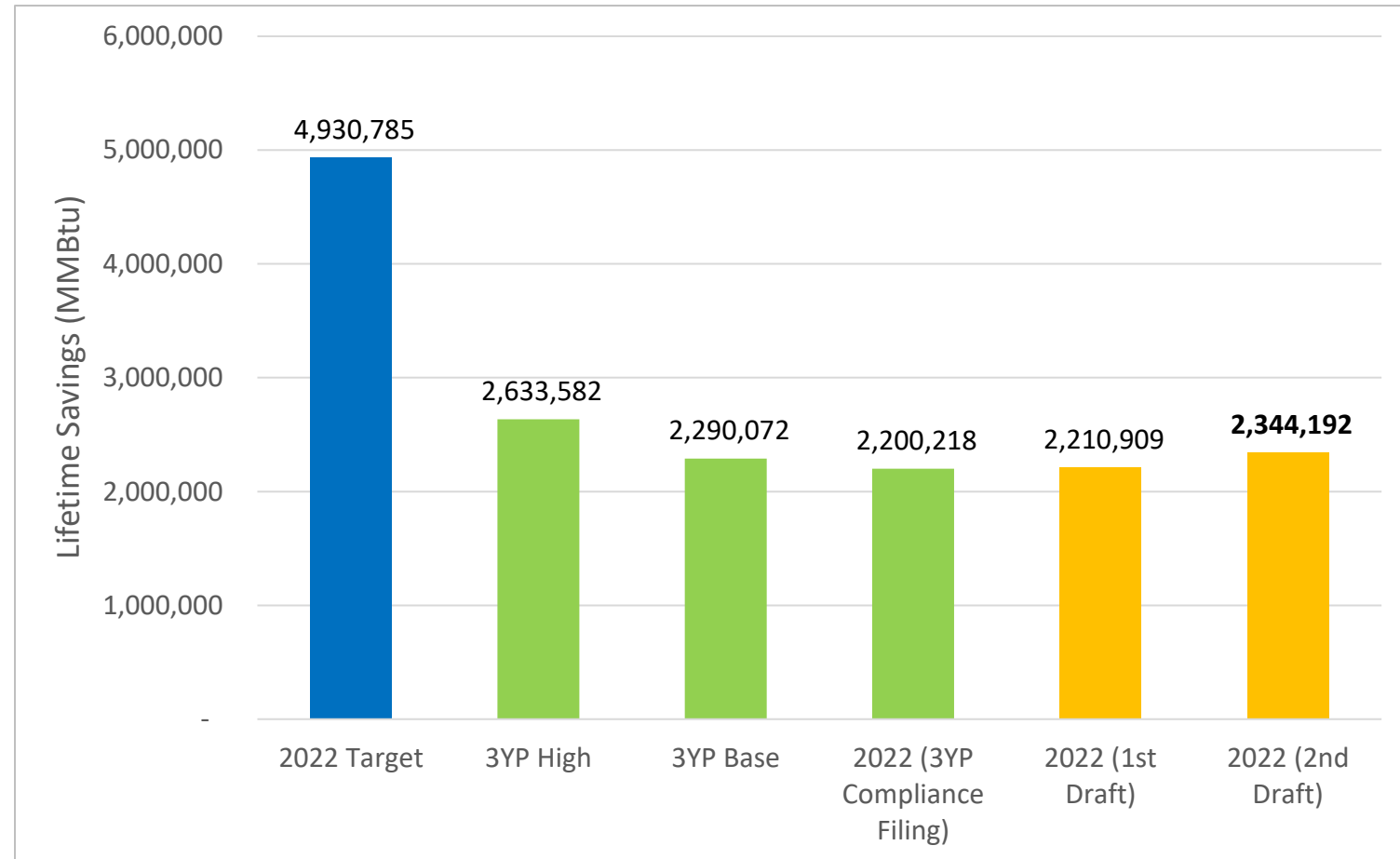
Lifetime Gas savings increased by 57,026 MMBtu at the portfolio-level between the first and second drafts of the EE Plan, while the 3YP 2022 “High” Scenario included 1,257,328 additional MMBtu.





# Gas C&I (Lifetime MMBtu, 2022)

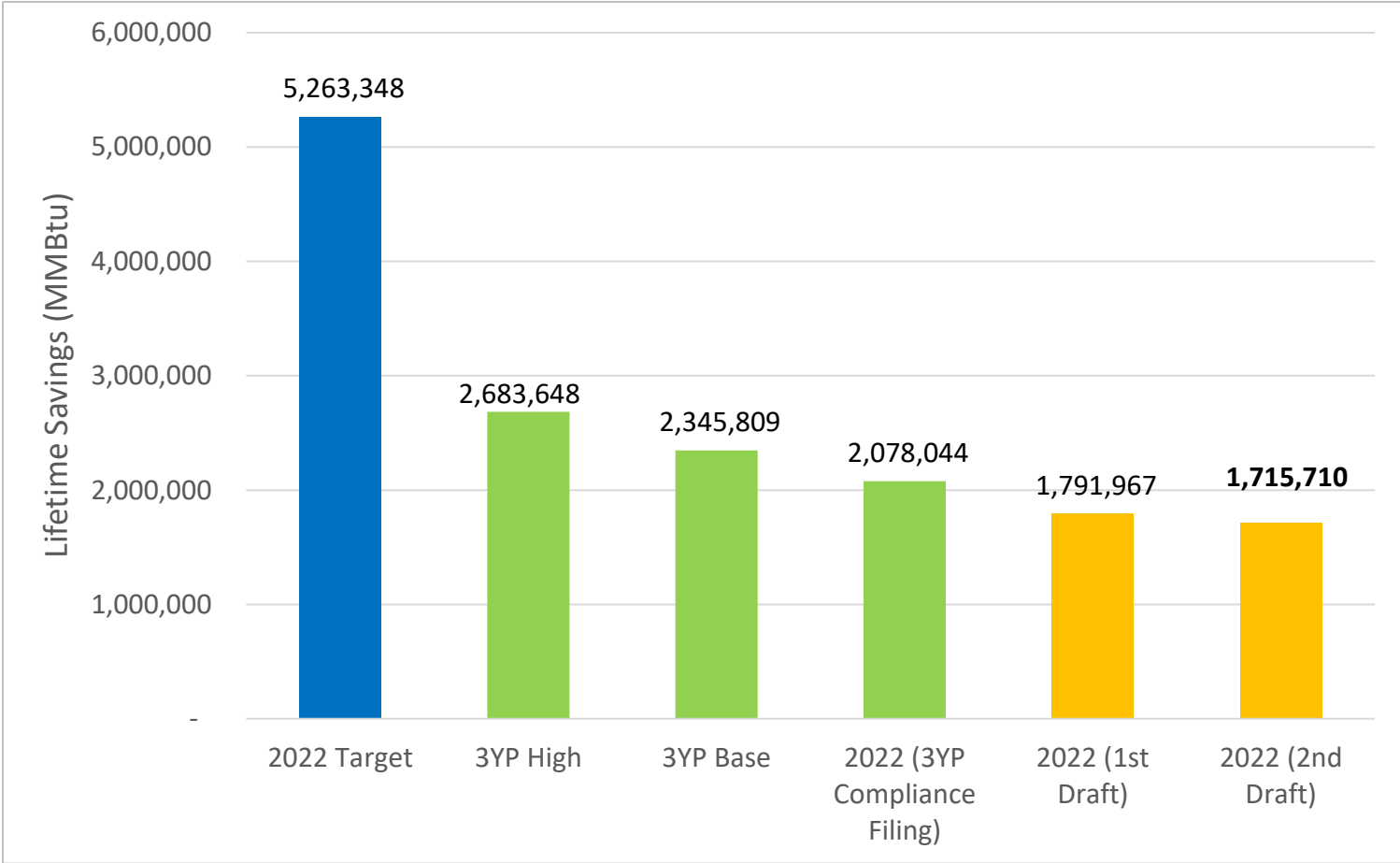
C&I Lifetime Gas savings increased by 133,282 across 2022 Annual Plan drafts, but the 3YP 2022 “High” Scenario still exceeds the second draft by 289,391 MMBtu.





# Gas Res/IES (Lifetime MMBtu, 2022)

For Residential and Income Eligible sectors, lifetime Gas savings decreased by 76,257 from the first to second 2022 Annual Plan draft, and the 3YP 2022 “High” Scenario includes 967,937 lifetime MMBtu from additional savings opportunities.





# RESPONSIVENESS TO EERMC COMMENTS





# Illustrative Remaining Concerns

Rate and Bill Impacts Review  
Opportunity

Specifics on 3rd Party Support  
System for IES CAP Agencies in IES

Concerns with “RI Growers” CHP Project

Equity Commitments

Approaches to Delivering C&I HVAC  
Savings

Process for Verifying Eligibility in the  
Moderate Income Offering

Addressing Pre-Weatherization Barriers

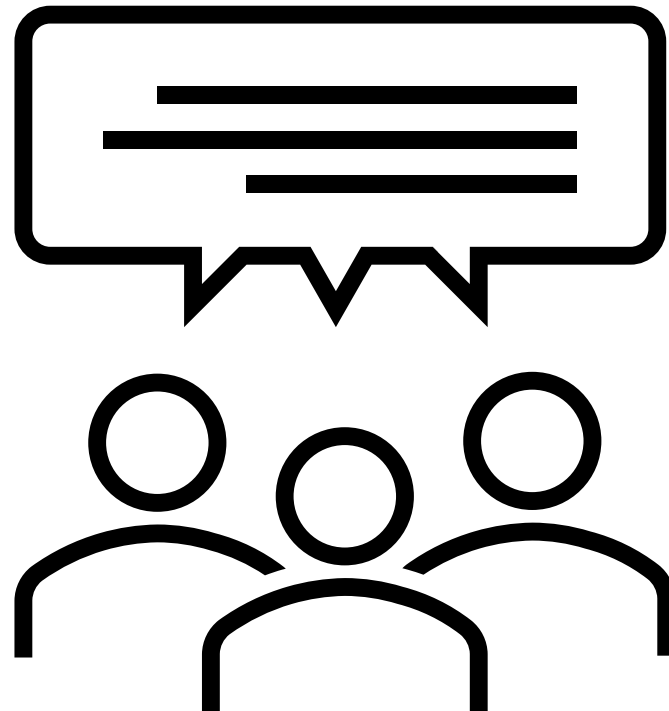
Consistent Weatherization Incentives  
Across All Fuel Types

Exploration of Alternative Virtual  
Assessment Models

Other Stakeholder-Raised Issues



# Other Councilor Concerns?







# CONCLUDING THOUGHTS & COUNCIL VOTE OPTIONS





# Council's Responsibility

EERMC role and responsibility in potentially endorsing the Plan as described in the LCP Standards:

“

The Council shall vote whether to endorse the Annual EE Plan prior to the prescribed filing date. If the Council does not endorse the Annual EE Plan, the Council shall document its reasons and submit comments on the Annual EE Plan to the PUC for its consideration in final review of the Annual Plan.

”



# Concluding Comments

Due to lack of transparent, comprehensive vetting of all cost-effective savings, the C-Team can not verify that the proposed EE Plan was developed *“in a manner that is optimally cost-effective, reliable, prudent, and environmentally responsible”* per the LCP Standards and Legislation

The EERMC’s Counsel provided a summary of potential options regarding whether to potentially endorse the EE Plan

*Note: The Cost-Effectiveness Report is a separate Council legislated responsibility and will be addressed separately from an endorsement decision at the 9/23 Council meeting.*



# Summary of Vote Options

1. **Endorse the EE Plan**, as has been the case in all previous years. Endorsement may also list Council's concerns that didn't prevent endorsement but warrant mentioning.
2. **Endorse the EE Plan**, but decline to join any Settlement of the Parties. Represents a strong statement of the EERMC's concerns.
3. **Not endorse the EE Plan**, but indicate that if specific condition(s) are met it would be endorsed.
4. **Not endorse the EE Plan**, and provide a list of reasons why it was not endorsed for PUC consideration in its final review of the EE Plan.



# Council Member Discussion

