

Memorandum

To: Energy Efficiency & Resource Management Council
From: Sam Ross, Optimal Energy
Date: December 9, 2021
Subject: Proposed 2022 Scope of Work Content, Objectives, and Budget

I. Introduction

Optimal Energy, Inc. and its partners (collectively the Consultant Team or C-Team) appreciate the opportunity to continue serving the Rhode Island Energy Efficiency and Resources Management Council (EERMC) with high quality policy and program consultant services. The Consultant Team provides the following proposed Scope of Work (SOW) for its services to the EERMC in 2022. The proposed SOW builds on core activities delivered in 2021 with the several modified, expanded, and additional work streams that were highlighted in the Consultant Team’s memo¹ and presentation² at the November EERMC meeting.

Section II of this memo, 2022 Work Plan, summarizes the Consultant Team’s core work plan and key changes from 2021 to 2022, organized by task. Section III provides information on the Consultant Team’s staffing and includes an estimate of the budget that would be necessary to support our proposed 2022 SOW.

II. 2022 Work Plan

A key condition of being able to deliver all these activities efficiently and in a timely fashion depends on the EERMC’s expectation that all parties³ will commit to effectively implementing the enhancements to the overall development process of the 2023 Energy Efficiency (EE) Plan and continued development work under the System Reliability Procurement (SRP) Three Year Plan. This extends to improving processes to track and report on 2022 program performance to fulfill the Council’s Implementation Oversight responsibilities. Draft timelines and process improvement expectations are currently under development, and will be finalized in early 2022, inclusive of commitments from the parties to achieve all elements contained in Least Cost Procurement (LCP) Law⁴, the LCP Standards, and other relevant documents prescribing legal and regulatory expectations of the parties. We expect this level of coordination will be critical in the future to align efforts; build consistent approaches to planning; streamline delivery; and foster effective collaboration and partnership as the clean energy industry enters a new phase of rapid evolution.

The presentation of this SOW includes a high-level summary of the objectives of the four tasks that were included in our 2021 SOW, a detailed listing of responsibilities and deliverables associated with each task in table format, and a summary of key changes in 2022. Areas of anticipated change in 2022 are grouped under

¹ <http://rieermc.ri.gov/wp-content/uploads/2021/11/2022-eermc-c-team-proposed-sow-memo.pdf>

² <http://rieermc.ri.gov/wp-content/uploads/2021/11/2022-eermc-c-team-proposed-sow-presentation.pdf>

³ The primary “parties” in the process are National Grid, the Rhode Island Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC or Division), the EERMC and by extension the Consultant Team, and the other members of the Energy Efficiency (EE) and System Reliability Procurement (SRP) Technical Working Groups.

⁴ <http://webserver.rilin.state.ri.us/Statutes/title39/39-1/39-1-27.7.HTM>

the familiar categories from the Consultant Team’s 2021 SOW to facilitate clarity regarding where we see the emphasis of each area, though several of the themes discussed are in fact cross-cutting and may impact multiple areas of work.

High Level Summary of Core Task Areas

Task 1 - Responsibilities Related to EERMC Oversight

The primary objective of Task 1 is to support Council members as they perform their assigned roles and responsibilities. This includes providing substantive, clear, and timely information for Council members. This will be critically important in the upcoming program cycle, as Rhode Island completes the transformation of the lighting market and shifts focus to the hard work ahead needed to modernize Rhode Island’s building stock by addressing measures in key end-uses like envelope, HVAC, and hot water. With rapid change in the energy landscape, up-to-date data and information on industry, technology, policy, and regulatory advances is vital for the Council to guide and drive the evolution of Rhode Island’s energy efficiency efforts. In 2022 and beyond, we anticipate that Council members will seek support to build knowledge of emerging program strategies to ensure that the State can continue to maximize efficiency savings and benefits. Our essential role is to ensure that individual EERMC members are supported and empowered to provide strong leadership on both energy efficiency and system reliability, and as a collective body, to serve as stewards of Rhode Island’s LCP law (LCP).

Task 2 - Development of Work Products and Representation of the EERMC

The Consultant Team’s focus will be on effective communication and representation of the results of the EERMC’s successful work with key stakeholders, institutions, and agencies impacting or being impacted by LCP. Part of this responsibility is to inform and advise decisionmakers and participants in the broader energy efficiency market to build support for continued efforts that will maintain Rhode Island’s national leadership in energy efficiency.

Task 3 - Energy Efficiency and System Reliability Program Design and Delivery

This task includes the activities necessary to meet the EERMC’s fundamental objectives, which are to oversee the design and successfully deliver system reliability and energy efficiency programs and services that maximize the resulting benefits for all Rhode Islanders. The next years will be very different: the loss of most claimable lighting savings, the likely sale of National Grid Rhode Island, and the continued unfolding of the climate crisis and attendant interconnectedness of many clean energy resources are among the EERMC’s future challenges. Our approach will ensure that the EERMC continues to achieve the clearly documented objectives for EE Plan development and delivery codified by the PUC in the LCP Standards, including detailed review of EE Plans to ensure that proposed costs are reasonable and justified and to assure cost-efficiency as well as cost-effectiveness.

Task 4 – Advancing Integrated Approaches and Addressing Emerging Issues

The Consultant Team has been an early voice in many jurisdictions highlighting the imperative to work across areas of energy policy and programs that have historically existed in silos. The process of developing and managing plans that address the integration of cross-cutting solutions and approaches requires a team able to draw on experts across the spectrum of clean energy resources and policies. We will support Rhode Island’s

continuing leadership in the evolving energy landscape by applying our engagement in a range of jurisdictions on issues including workforce development, heating decarbonization, equity in efficiency programs, locational valuation, and distributed energy resources. Our proposed approach to this key work area directs support and assistance to the OER as it delivers its key function as the agency charged with leading critical activities addressing climate change and resiliency. The Consultant Team is prepared to provide the necessary expertise to assist OER in leading Rhode Island to a secure, cost-effective, and sustainable energy future.

Cross-Task Representation of EERMC

As we have consistently done over the years in the fulfillment of SOW's, the C-Team will engage in public forums, such as the EE and SRP Technical Working Groups and PUC meetings, that are related to discussions and activities that support LCP and other EERMC objectives. Given that developments in these forum don't always align with the cycle of Council meetings, the C-Team will, as we have in past, provide review, analysis, reports and communications in these forum on behalf of the EERMC based on the direction and expectations embedded in this SOW. Additionally, the primary operating position will be that our statements and representations must be grounded in our knowledge of the EERMC's legislated roles and responsibilities as detailed in the clear documentation and expectations set in the LCP Law.

Task 1 - EERMC Oversight

TASK 1: EERMC Oversight			13 Subtasks
<p>1.1 EERMC Meetings</p> <ul style="list-style-type: none"> Develop required meeting materials to ensure all legislated objectives are met Present on critical topics and key points for deliberation 	<p>1.2 EERMC Executive Committee Meetings</p> <ul style="list-style-type: none"> Support at least one Executive Committee meeting per year, per Council By-laws 	<p>1.3 Councilor Briefings</p> <ul style="list-style-type: none"> Individually brief each voting Councilor and the non-voting representative for delivered fuels Target at least two per Councilor 	
<p>1.4 Councilor Retreat & Orientation</p> <ul style="list-style-type: none"> Educate all Councilors Orient new Councilors Cover roles, responsibilities, evolving efficiency issues and innovations and clean energy developments 	<p>1.5 EE & SRP Technical Working Groups</p> <ul style="list-style-type: none"> Participate in separate monthly EE & SRP meetings of core stakeholders Inform development, implementation and evaluation of EE & SRP Plans 	<p>1.6 Equity Working Group</p> <ul style="list-style-type: none"> Represent EERMC in newly formed Equity Working Group Ensure EERMC's equity priorities are reflected in National Grid's EE Plans 	
<p>1.7 EERMC Education Working Group</p> <ul style="list-style-type: none"> Help implement Council education objectives Organize Annual EERMC Public Forum Coordinate members of EERMC, OER & National Grid 	<p>1.8 OER / Division / Consultant Team Meetings</p> <ul style="list-style-type: none"> Discuss and coordinate EERMC-related activities Prepare for upcoming Council meetings 	<p>1.9 OER / National Grid / Consultant Team Meetings</p> <ul style="list-style-type: none"> Coordinate timing and deliverables required to meet all deadlines Provide feedback based on review of National Grid deliverables 	
<p>1.10 Refresh & Maintain Website</p> <ul style="list-style-type: none"> Refresh EERMC website to improve useability & value Post monthly meeting notices and materials Promote educational events 	<p>1.11 Manage Consultants as Needed</p> <ul style="list-style-type: none"> Assist with RFP development, issuance, and selection Onboard and oversee activities of vendors Ensure deliverables are met on time 	<p>1.12 Continued Educational Focus</p> <ul style="list-style-type: none"> Further develop EERMC educational tools, including the EERMC educational handbook and white papers 	
<p>1.13 Manage Possible Utility Sale Implications</p> <ul style="list-style-type: none"> Monitor associated docket and activities Provide support to ensure continuity during transition and ongoing robust efficiency programs in Rhode Island 			

 Core Scope Activities

 Additional Activities Identified

Possible Sale of National Grid Rhode Island (National Grid) to Pennsylvania Power and Light (PPL)

There are several areas of likely impact for the EERMC and energy efficiency in Rhode Island should the sale of National Grid's Rhode Island utility operations to PPL receive approval from the Rhode Island Public Utilities Commission (PUC).

A central consideration for the EERMC in the event of a completed sale would be ensuring continuity of efficiency planning and implementation activities. This goal will of course be shared by many parties, including utility staff who choose to transition to PPL, the Rhode Island Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC), and other efficiency stakeholders in the state. Together these entities will ultimately be responsible for shepherding efficiency programs through a change in ownership. Specific areas that may require additional efforts in this capacity might include bringing new staff up to speed on Rhode Island history, context, and approach; adapting to differences in data and reporting infrastructure that may draw upon PPL's existing infrastructure; adjusting planning and oversight processes to account for changes in managerial approach or strategic vision; and augmenting evaluation, measurement, and verification (EM&V) processes to balance out reduced opportunity to directly leverage National Grid's studies in Massachusetts. Of course, the timing and eventual implications of a completed sale are unknown at this time. In the interest of budget efficiency, the Consultant Team proposes a moderate allocation of resources to this task, while noting that the scope of services needed to ensure robust ongoing efficiency programs in Rhode Island during and after the sale of the state's largest utility company will undoubtedly evolve as time passes and further information becomes available.

To that end, even before any of the above potential work areas become operative, the Consultant Team will continue to monitor the associated docket and prepare to engage in efficiency related proceedings should the sale be approved.

Continued Emphasis on Education Activities



The Consultant Team seeks to be responsive to the EERMC's desire for continued robust educational activities and community engagement. In addition to continuing the array of EERMC education activities facilitated by the Consultant Team each year, we propose three areas of incremental effort in 2022. In all cases the timeframe and topics covered would be guided by Council surveys and in-person discussions, and particular attention would be paid to respecting Council members' time while being responsive to the Council priorities. The three incremental areas of effort are:

- *Increased Emphasis on Deep Dive Content for Councilors* – The Consultant Team proposes to plan a series of retreat-style deep dive sessions outside of regular monthly meetings. In addition to offering deeper learning on technical topics, these meetings could explore ways in which the Council could more fully exercise its legislated mandates and contribute to high-level strategy around state energy policy and program implementation.
- *Initiate Development of an Educational Video Library* – In an effort to expand the Council's collection of educational resources, The Consultant Team proposes to establish an on-going practice of developing informational webinars based on presentations given to the Council. Certain presentations would be selected based on their value as educational tools and applicability to a broader audience. Webinars would be made available on the EERMC website for reference by

Council members, stakeholders, and any interested individuals. This would be a cost-efficient way of leveraging existing efforts to build a collection of self-guided learning resources over time.

- *Constituent Connections* – The Consultant Team proposes to support Council members who would like to bolster their connection to the stakeholder communities which they represent. The Consultant Team would facilitate two-way interactions in which Council members would have the opportunity to gain on-the-ground stakeholder insights while relaying efficiency messaging from the Council. This work would also help to establish relationships and networks that could be leveraged when stakeholder voices are needed at key points in the efficiency planning process.

Task 2 - Development of Work Products and Representation of the EERMC

TASK 2: Development of Work Products and Representation of the EERMC			6 Subtasks
<p>2.1 EERMC Annual Report</p> <ul style="list-style-type: none"> • Develop the statutorily required Annual Report • Coordinate with National Grid and OER to source and assemble content 	<p>2.2 State & Regional Policy</p> <ul style="list-style-type: none"> • Represent EERMC in meetings with: <ul style="list-style-type: none"> - General Assembly - Executive branch agencies - ISO-New England - Avoided Cost Study Group 	<p>2.3 Stakeholder Forums</p> <ul style="list-style-type: none"> • Meet individually with: <ul style="list-style-type: none"> - Active EE stakeholders - Local groups on program designs and strategies • Engage in regional initiatives coordinated by NEEP 	
<p>2.4 Annual Timeline</p> <ul style="list-style-type: none"> • Create an annual timeline for all major events and activities for each month • Adjust as needed based on new developments 	<p>2.5 Quarterly Written Progress Reports</p> <ul style="list-style-type: none"> • Provide quarterly written progress reports on all deliverables, activities, and events and any scope additions or revisions 	<p>2.6 Maintain Meeting Minutes for EERMC</p> <ul style="list-style-type: none"> • Take thorough minutes for all Council and executive committee meetings • Upon approval, prepare final versions and post to Council website 	
<p> Core Scope Activities</p>			<p> Additional Activities Identified</p>

Expanded EERMC Meeting Responsibilities & Potential for Additional Councilor Gatherings

In coordination with OER, the Consultant Team proposes to increase the frequency of executive committee meetings to once per quarter moving forward. In addition, the Consultant Team has been asked by OER to assume responsibility for taking meeting minutes during EERMC meetings. Of note, the Consultant Team has multiple members based in Rhode Island with several years of experience taking meeting minutes for the Massachusetts Energy Efficiency Advisory Council and Executive Committee. This expanded work area covers the necessary time to prepare for, engage in, and take appropriate follow-up actions associated with fulfilling both of these proposed changes.

Task 3 - Energy Efficiency and System Reliability Program Design and Delivery

TASK 3: Energy Efficiency and System Reliability Program Design and Delivery 9 Subtasks		
<p>3.1 Residential & Income Eligible Sector Monthly Meetings</p> <ul style="list-style-type: none"> • Provide recommendations on optimizing program performance • Review program data and optimize program performance 	<p>3.2 Commercial & Industrial Sector Monthly Meetings</p> <ul style="list-style-type: none"> • Provide recommendations on optimizing program performance • Review program data and optimize program performance 	<p>3.3 EM&V: C&I and Residential Studies</p> <ul style="list-style-type: none"> • Meet monthly with National Grid, OER and Division • Review current studies & SOW's • Ensure consistency of study development, review, and approval
<p>3.4 2023 Annual Plan Development</p> <ul style="list-style-type: none"> • Meet monthly with sector strategy groups on 2023 Annual Plan development between April and October • Additional meetings with National Grid, OER, Division 	<p>3.5 CHP Annual Public Meeting</p> <ul style="list-style-type: none"> • Per legislation, gather stakeholders to discuss opportunities and strategies around CHP in Rhode Island 	<p>3.6 PUC Technical Sessions & Open Meetings on 2022 & 2023 EE Plans</p> <ul style="list-style-type: none"> • Represent EERMC in at least two pre-filing and two post-filing technical sessions • Participate in open meetings for PUC ruling on Plans
<p>3.7 Cost-Effectiveness Analysis & Report</p> <ul style="list-style-type: none"> • Conduct detailed analysis on proposed EE & SRP Plans to determine cost-effectiveness and adherence to TRM standards • Submit report to PUC 	<p>3.8 Quarterly Memos</p> <ul style="list-style-type: none"> • Provide quarterly memos and/or presentations on EE & SRP progress 	<p>3.9 Oversight of Third-Party Studies</p> <ul style="list-style-type: none"> • Provide oversight of any analyses or studies commissioned by EERMC • Ensure they are effectively used to support related processes and objectives
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #0056b3; margin-right: 5px;"></div> Core Scope Activities </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #0056b3; margin-right: 5px;"></div> Additional Activities Identified </div> </div>		

2022 Annual Energy Efficiency Plan Proceedings Before the PUC

The 2022 Energy Efficiency Plan (EE Plan) is the first annual efficiency plan not endorsed by the EERMC. As a result of the fulsome discovery process currently underway, which is a strength of the current docket schedule (Docket 5189), some hearings before PUC have been scheduled for early 2022. Consequently, the Consultant Team will continue to be heavily engaged in this docket, including reviewing discovery and pre-filed testimony, preparing for and attending at least three hearings, and engaging in associated follow-up work streams. These will include but are not limited to preparing materials for the EERMC to stay abreast of the docket's progress, and assisting in the adaptations to planning and oversight timelines that may result from either the PUC's

rulings, or simply from the fact that any such rulings related to the 2022 EE Plan may not be issued until the calendar year 2022 is already underway, which may necessitate adjustments to some plan elements.

2022 Energy Efficiency Plan Implementation Oversight

The Consultant Team recognizes several reasons that there may be increased need related to 2022 EE Plan oversight activities. First, covered in part during the discussion of the potential sale of National Grid to PPL, efficiency implementation may be impacted by staff transitions, changes in management approach, differences in data collection and reporting infrastructure, utility internal resource allocation, and the need for efficiency staff to balance transition-related responsibilities with implementation responsibilities. Though none of these factors individually guarantee that implementation will be adversely affected, collectively they represent a risk to implementation that the Council may wish to counter with increased Consultant Team staff engagement. For example, if staff transitions result in an influx of new individuals, or resource constraints for utility staff in the near term, the other parties to energy efficiency planning processes in Rhode Island, including but not limited to OER and the DPUC, may be called upon to provide continuity in the form of historical context, knowledge sharing with new utility staff, and deploying expertise.

In addition, 2022 will be the first implementation cycle for efficiency programs which were initially not endorsed by the Council. To the degree that various Council concerns raised during 2022 EE Plan development remain outstanding at the conclusion of the PUC proceedings regarding the 2022 EE Plan, the EERMC may direct the Consultant Team to closely monitor, support, and engage the Council in continuing to seek and develop potential solutions for these areas of concern, which can then feed into 2023 EE Plan development.

2023 Annual Energy Efficiency Plan Development

Building from the discussion above regarding 2022 implementation oversight, many of the same considerations suggest that additional Consultant Team resources may be necessary to ensure an effective, forward-looking, and robust 2023 Annual EE Plan development process. Continuity in light of the potential sale and continued effort in search of resolution to outstanding Council concerns certainly apply equally to 2023 planning and 2022 oversight.

Further, the Consultant Team has observed a pattern of increasing time and effort associated with annual plan proceedings before the PUC in recent years. The 2020 EE Plan proceedings were not fully resolved until rulings were issued in August of 2021, with written rulings issued in September of 2021. Similarly, the 2021 EE Plan proceedings have already exceeded historical demands due to the contested nature of the 2022 Plan and are anticipated to once again continue into the program year for which the plan was designed. In light of this recent track record and considering that the historical pattern of the EERMC's endorsement of efficiency plans has changed just this year, the Consultant Team anticipates an increase in the level of effort that will be required for the 2023 planning cycle proceedings before the PUC.

Rate and Bill Impacts – Building on 2022 Plan Feedback and Delivered Fuels Model Development

As part of the 2022 planning process, the Consultant Team engaged in a detailed review of National Grid's rate and bill impact models. Unfortunately, the first opportunity for this review occurred after National Grid had issued their final draft 2022 EE Plan. As a result, though several methodological and analytical concerns were raised during the Consultant Team review, the large majority of these issues were deferred by National Grid for corrective action in 2022 due to the late stage at which the models were made available.

Fortunately, National Grid has represented willingness to discuss and correct the issues identified with the electric and natural gas rate and bill impact models in 2022, in addition to developing a model for estimating pocketbook impacts from delivered fuel savings associated with the electric and natural gas efficiency programs. These work streams are planned to take place largely in the first half of 2022, in order to ensure that modeling improvements can be determined, implemented, and reviewed for quality assurance in time to be utilized during the 2023 EE Plan development process. Additionally, the Consultant Team anticipates receiving versions of these models associated with the first draft of the 2023 EE Plan as a process improvement over the 2022 EE Plan development process.

Oversight of Rhode Island Market Potential Study 2024-2026 Updates



The three-year planning cycle covering program years 2024 – 2026 will take place during calendar year 2023. As a result, any updated quantitative analysis of market potential for efficiency and other resources will need to be contracted and largely undertaken in 2022, to ensure that robust, defensible results are available in time to inform the target-setting process, which is anticipated to begin in early 2023. Consequently, as with the previously completed Rhode Island Market Potential Study, the Consultant Team proposes to provide full support in the development of an appropriate SOW for this update, as well as in drafting any solicitations, contracts, and work plans, and overseeing successful implementation of the work necessary to provide an updated potential assessment for 2024 through 2026.

Benefit Cost Methodology and Non-Pipes Alternatives in System Reliability Procurement (SRP)

The Consultant Team anticipates an increase in time required to support several important SRP developments in 2023. First, along with OER, the Consultant Team has initiated discussions related to benefit-cost methodologies for Non-Wires Alternatives (NWA) and Non-Pipes Alternatives (NPA) in 2021 which we anticipate building upon in 2022. Second, in fall 2021 National Grid committed to continuing to improve upon the analyses and models used to explore internally-sourced NWA solutions such as targeted efficiency, demand response, solar, and storage. This new work stream is anticipated to expand in 2022 as the collaborative effort to establish best-practice methodologies for such analyses hits its stride. Similarly, the development of the NPA program will accelerate in 2022, including the need to establish clear planning expectations to ensure that the program is fully developed on time for National Grid's proposed 2023 deadline.

Further, SRP proceedings are likely to be impacted by any transitions associated with the sale of National Grid Rhode Island to PPL. Here again, other parties to SRP proceedings may represent an important source of continuity and institutional knowledge to ensure continued smooth operations.

Task 4 – Advancing Integrated Approaches and Addressing Emerging Issues

TASK 4: Advancing Integrated Approaches and Addressing Emerging Issues		4 Subtasks
<p>4.1 Scoping Meetings with OER and/or EERMC</p> <ul style="list-style-type: none"> Meet with Councilors and OER to define objectives and deliverables associated with necessary analyses, research, and documents to support all areas of integration and innovation 	<p>4.2 Analysis, Research Papers, White Papers</p> <ul style="list-style-type: none"> Develop timely analyses, research papers, white papers, etc. as requested 	
<p>4.3 Increasing Focus on Equity in Energy Efficiency</p> <ul style="list-style-type: none"> Ensure progress against commitments is sufficiently tracked and reported, and continue supporting program improvements Attend all equity working group proceedings on behalf of the Council Support actionable takeaways from Participation and Nonparticipant Studies 	<p>4.4 Climate and Efficiency Integration</p> <ul style="list-style-type: none"> Track climate initiatives and policies to ensure coordination with efficiency planning and implementation Draw upon climate expertise and experience in other jurisdictions and translate to Rhode Island context 	
<p> Core Scope Activities</p>		<p> Additional Activities Identified</p>

Increasing Focus on Equity in Energy Efficiency

The Consultant Team has identified several ways in which the expanding focus on equity in energy efficiency can be effectively supported and enhanced through continued EERMC effort and associated Consultant Team support.

Most immediately, the equity commitments made in the 2022 EE Plan are now among the EERMC’s areas of implementation oversight responsibility. The Consultant Team will engage with National Grid to ensure progress against these commitments is being tracked with sufficient detail, and reported with sufficient regularity, to enable the Council to fulfill its implementation oversight charge. In furtherance of this goal, we propose to staff one Consultant Team member as an active listener in all equity working group (EWG) proceedings in 2022, who will be responsible for reporting back to the EERMC relevant updates associated with the commitments made in the 2022 EE Plan. Note that, as long as the National Grid team solicits continued facilitation services, and other EWG stakeholders are actively engaged in and supportive of that solicitation decision, we explicitly propose to be passive attendees at the EWG meetings (unless explicitly invited to

participate in specific conversations) to ensure the original intent of the EWG, to bring new voices and perspectives to energy efficiency program planning, is honored.

Further, the expected completion of the *Participation and Multifamily Census Study* and the *Nonparticipant Study* will provide powerful, actionable insights and program design improvement opportunities which can be immediately implemented in 2022. The Consultant Team expects both the impact and immediacy of these two study's results to be greater than typical EM&V studies. Early in the program year, Consultant Team activities related to these two studies will be focused on the completion of the studies themselves and review and comment on final deliverables and conclusions, which will take place in the EM&V work stream. Once these activities are concluded, the focus will shift to sector team activity, where direct implementation impacts will be assessed.

Climate and Efficiency Integration, including Act on Climate, HVAC Emphasis, and Braiding Resources

In the course of Council meetings, Council retreats, and Councilor briefings, the Consultant Team has observed a broad-based increase in the level of interest and attention paid to the intersection of Rhode Island's energy efficiency programs and Rhode Island's efforts to curtail the unfolding climate crisis. This is complemented by an increasing industry-wide trend toward the consensus view that, while energy efficiency remains a critical grid resource and opportunity for ratepayer savings, it is also a central pillar in any plan that seeks to reduce the greenhouse gas emissions of the energy sector, alongside other clean energy resources such as solar, storage, demand response, electric vehicles, and others.

In light of the recently-passed Act on Climate, and the associated clear need for increasing interconnection among historically siloed clean energy resources, the Consultant Team proposes to provide a more consistent view to the EERMC regarding climate- and other clean energy- related activities in Rhode Island and around the Country. Notably, this effort will be complementary to OER's central role in driving forward these important state policy initiatives. Specifically, the Consultant Team proposes to increase efforts to stay abreast of activities at the Rhode Island Executive Climate Change Coordinating Council (EC4) and Distributed Generation Board (DG Board). This will ensure that future efficiency program planning activities take direct account of, and can be harmonized with, related decarbonization and resiliency efforts in Rhode Island.

Specific areas where the Consultant Team can offer expertise and experience include drawing upon our work driving climate-first efficiency programs in Massachusetts, supporting analysis of electrification policy opportunities in New York and Pennsylvania, and other similar work elsewhere.

III. Staffing and Budget

The Consultant Team will fully and effectively deliver all elements of this SOW. Work assignments and roles will remain flexible to assure that the right staff, skillset, and availability are in place on all core tasks, as well as to address evolving issues.

Organizational Chart

Our staffing plan balances a core of members with proven track records, institutional knowledge, and well-established relationships while also enhancing and expanding the team to assure that evolving challenges and

needs are addressed⁵. We organize our team into five groups covering the core roles and areas of focus, as shown in our organizational chart below. While each member is listed only once in their primary area of concentration, many team members actively participate in multiple groups.



Note: During Mike Guerard’s medical leave, Sam Ross will be acting Project Manager, and Adrian Caesar will be providing enhanced support for EM&V.

Optional EERMC Intern

If the EERMC desired to provide workforce development opportunities for RI-based college students, the C-Team is prepared to support the recruitment, oversight, overhead and administrative support needed to hire and manage the services of an intern(s). The primary responsibility of the intern will be to assist the EERMC, and its C-Team and OER, in support of EERMC objectives and activities.

Our team has already identified a candidate for this role, a PhD student at URI, through the URI Energy Fellows Program. Because the candidate is a PhD student, we anticipate that a slightly higher total budget than past years, \$30,000, would be sufficient to cover the costs of hiring an EERMC intern.

⁵ As we have done in the past, Optimal may identify other staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work and would seek OER approval before adding resources not specifically named in the organizational chart.

Note that the budget below includes the optional EERMC intern. If the Council votes to not approve the inclusion of an intern for the 2022 calendar year, the Consultant Team will provide an updated SOW with an updated budget reflecting this change.

Budget

The proposed hours are tied to our billing rates that were approved for use in our 2021 SOW for years 2021 and 2022:

Staff Title	Billing Rate (\$/hour)
Project Manager	\$198
Principal-in-Charge/CEO	\$212
Managing & Senior Consultant	\$198
Consultant	\$186
Senior Engineer	\$160
Independent Consultant	\$155
Analyst	\$135
Interns	\$35

	HOURS	BUDGET
Task 1: EERMC Oversight	1,135	\$ 196,737
Enhance EERMC interpretation and understanding of EE and SRP program planning, policy development and implementation, and facilitate EERMC participation in process. Educate EERMC regarding relevant, energy topics.	180	32,340
Actively participate and provide expertise in all EERMC meetings (including any Sub-Committee or Ad-Hoc Committee meetings); all Technical Working Group meetings (including any Sub-committee or Ad-hoc meetings); System Reliability Subcommittee meetings; meetings with OER and other state agencies engaged in the implementation of least-cost procurement initiatives; all relevant PUC meetings, technical sessions, and proceedings; and any other stakeholder meetings that may be important to the successful advancement of Rhode Island's least-cost procurement mandates.	421	71,611
Develop and review policies on a range of issues germane to the EERMC's duties including, but not limited to, triennial and annual efficiency and system reliability plan development and implementation; efficiency and system reliability standards development; energy efficiency savings targets; program budget and financing; cost-effectiveness; evaluation, monitoring, and verification; financing; program and policy equity; and utility performance incentives.	120	21,688
Document and/or conduct research/analysis, and create recommendations for stakeholder reps can make decisions based on sound info. Provide policy summaries, analysis, and whitepapers, as needed, to inform, guide, and empower stakeholder reps.	179	29,817
Participate in the development of EERMC priorities and provide technical inputs, analyses, and tasks necessary to advance the EERMC's priorities in the development, implementation, and evaluation of plans and programs for LCP	36	6,840
Assume overall responsibility for managing and coordinating the work of any additional consultants hired by the EERMC to support its objectives.	66	13,068
Evaluate the impacts of past and potential legislation and/or PUC directives on EE and SRP, including legislation or PUC orders related to decoupling, and (SBC) collections and allocations. Educate key stakeholder on such legislation and associated impacts.	77	13,700
Manage EERMC website maintenance, updates, and monthly meeting materials uploads.	56	7,672
Task 2: Work products and representation of the EERMC	1,128	\$ 159,230
Develop work products for relevant PUC dockets (e.g. annual plans), including direct testimony on behalf of the EERMC upon its request.	400	53,280
Provide technical support from, and representation of, the EERMC with respect to relevant state and regional policies before entities including, the General Assembly and Executive branch agencies, ISO, RGGI, and FCM.	52	8,052
Support the development of the required Annual Report on EERMC activities due on April 15 of each year to the General Assembly.	82	10,778
Represent priorities of the EERMC in various relevant stakeholder forums	160	27,760
Assist with oversight of National Grid's investment of ratepayer funds, including by coordinating and participating in monthly meetings with the company's strategy groups.	346	49,968
Create an annual timeline of key deliverables, activities, and events to be presented at the beginning of year to the EERMC. Provide written, quarterly progress reports on all deliverables, activities, and events included in the timeline and any additions or revisions made throughout the year.	88	9,392
Task 3: Energy Efficiency and SRP Program Design and Delivery	2,465	\$ 401,158
Represent the EERMC's priorities in the dev of annual/triennial EE & SRP plans.	299	\$ 50,124
Verify that EE program design and implementation are delivering excellent service and maximizing benefits of EE for all ratepayers.	340	\$ 49,997
Advocate for program design and delivery improvements, including, but not limited to, providing recommendations for increasing the benefits of efficiency to underserved sectors.	275	\$ 42,463
Conduct a detailed review and report on the cost-effectiveness of the annual and triennial natural gas and electric efficiency plans for submittal to the PUC.	163	\$ 29,256
Provide independent assessment of utility data reports and information, including monthly data dashboards, quarterly data, and year-end performance results. Make recommendations for improvements.	357	\$ 51,112
Advocate for excellent data reporting, transparency, and access to data when appropriate	115	\$ 22,063
Provide oversight of third-party analyses and studies commissioned by the EERMC including, but not limited to, market potential studies. Once completed, ensure the appropriate use of study findings in energy efficiency and system reliability procurement implementation and planning.	147	\$ 25,893
Apprise the EERMC of developments in other jurisdictions that could improve the quality and delivery of EE programs and SRP investments in RI.	179	\$ 24,242
Monitor, facilitate, and report on the implementation and progress towards the goals of the annual EE Program Plan, including regular meetings with National Grid program managers and other affected stakeholders.	163	\$ 22,563
Evaluate the impacts of past and potential legislation and/or PUC directives on EE and SRP, including legislation or PUC orders related to decoupling, and (SBC) collections and allocations. Educate key stakeholder on such legislation and associated impacts.	190	\$ 36,860
Work with National Grid to receive more comprehensive and timely exchanges of relevant data as needed by the EERMC and/or OER.	99	\$ 18,991
Work with National Grid and other stakeholders to ensure that all utility-administered EE programs are effectively coordinated and integrated with other state clean energy initiatives	139	\$ 27,597
Task 4: Advancing Integrated Approaches & Addressing Emerging Issues	1,548	\$ 165,851
Identify innovative approaches and improvements to energy efficiency program delivery, i.e. gas/electric integration, Program best practices, financing, strategic electrification, etc.	240	\$ 32,040
Document research and recommendations in the format most appropriate for the audience and purpose.	70	\$ 10,458
Provide direct support to OER in the form of training, planning, technical analysis, and guidance for new initiatives, and relevant specialized expertise to assist OER with existing programs and pilot programs	122	\$ 20,314
Provide direct support to OER on renewable integration with energy efficiency (e.g. PACE)	46	\$ 7,200
Research and support planning initiatives for the integration and leveraging of broader energy issues, such as strategic electrification and resiliency, with ratepayer funded efforts.	470	\$ 65,839
EERMC Intern	600	\$ 30,000
CORE WORK AREAS TOTAL	6,276	922,976