

Memorandum

To: Energy Efficiency & Resource Management Council
From: Sam Ross, Optimal Energy
Date: February 17, 2021
Subject: Revised 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 revised Scope of Work (SOW) for its services to the EERMC in 2022 to be responsive to the rulings issued by the Rhode Island Public Utility Commission at its Open Meeting held on January 25, 2022. This SOW, if accepted and approved by the Council, would serve to replace the SOW for 2022 approved by the Council at its meeting on December 9th, 2021¹. The revised SOW retains a clear focus on the key activities delivered in 2021 in service of the Council's statutory obligations, including program implementation oversight and program planning activities. The revised SOW also retains several modified, expanded, and additional work streams that were included in the originally approved SOW for 2022. The primary changes reflected in the revised SOW compared to the originally approved SOW are as follows:

- Section II. 2022 Work Plan
 - o Modified approach to supporting expanded and additional work areas

- Section III. Staffing and Budget
 - o Overall Consultant Team budget has been reduced to \$819,923
 - o Administrative rate of \$80/hour has been added to cover administrative work streams
 - o Commitment to holding included rates constant for any extensions of existing contract
 - o Updated Organizational Chart
 - o Updated presentation of hours and budget table
 - o Confirmation that an intern candidate has been hired through the URI Energy Fellows Program as the EERMC's inaugural Mike Guerard Energy Fellow

Section II of this memo, 2022 Work Plan, summarizes the Consultant Team's work plan and key changes from 2021 to 2022, organized by task. Section III, Staffing and Budget, 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.

¹ http://rieermc.ri.gov/wp-content/uploads/2021/12/2022-eermc-c-team-proposed-sow_2021.12.02.pdf

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 parties² 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) Law³, 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 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 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).

² 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.

³ <http://webserver.rilin.state.ri.us/Statutes/title39/39-1/39-1-27.7.HTM>

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. However, it also reflects the EERMC's understanding that the coming 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.

Modified Approach to Covering Expanded and Additional Work Areas

Due to the reduced budget associated with this revised SOW, the C-Team proposes an adaptive approach to managing work to support the range of Council priority areas reflected in the following sections. This approach was conceived in order to avoid entirely removing any already-approved priority areas from the SOW.

We propose maintaining open lines of communication with the Council regarding which priority areas are most timely and impactful as the year progresses, and allocating time and materials on an as-needed basis among these work areas. In this way, we can simultaneously represent the full range of Council priorities for potential engagement in 2022, while also ensuring the consulting resources available to the Council are put to their highest and best use, at the Council's discretion.

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			5 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>■ Core Scope Activities</p>		<p>■ Additional Activities Identified</p>	

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. This expanded work area covers the necessary time to prepare for, engage in, and take appropriate follow-up actions associated with fulfilling this proposed change.

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
<p> Core Scope Activities Additional Activities Identified </p>		

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.

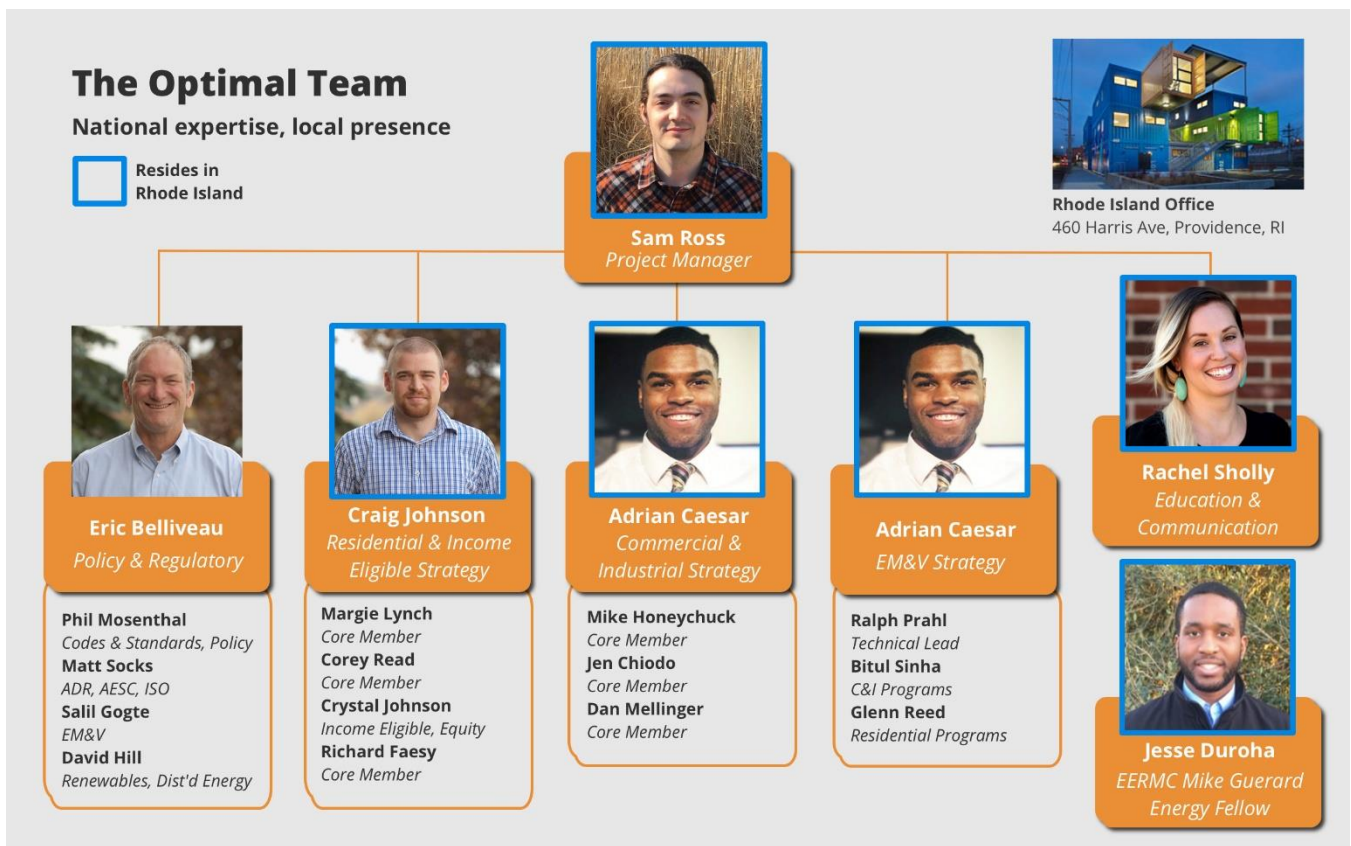
Specific areas where the Consultant Team can offer expertise and experience include drawing upon our work driving climate-first efficiency programs in Massachusetts, supporting analysis of electrification policy opportunities in New York and Pennsylvania, and other similar work elsewhere.

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 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 addressed⁴. 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 only listed in their primary areas of concentration, many team members actively participate in multiple groups.



Inaugural Mike Guerard Energy Fellow

At its December 9, 2021 meeting, the Council approved the Consultant Team to engage an intern for the calendar year 2022 to fill the inaugural Mike Guerard Energy Fellow Internship. The internship provides workforce development opportunities for RI based college students. The intern will assist the EERMC and its C-

⁴ As in the past, Optimal may identify staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work, and seek OER approval before adding resources not specifically named in the organizational chart.

Team in support of EERMC objectives and activities. For this year, we are working with Jesse Duroha, a PhD student from the University of Rhode Island (URI) through the URI Energy Fellows Program.

Budget

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

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
Administrative Rate ⁵	\$80
Interns	\$35

The Consultant Team commits to holding these rates constant for any future contract years for which the Council may choose to execute their contractual option to extend services under the current Rhode Island Policy and Program Consulting Agreement.

The SOW that the Council approved in December included a table with planned hours and budget at the task level, as well as for various work areas within each task. The C-Team heard the concern during the PUC’s Open Meetings in January that this organizational schema was at times confusing and is committed to re-examining our invoice organizational schema to ensure clarity regarding our work streams and deliverables. As such, for the purpose of this updated SOW, we are only highlighting revised hours and budgets for each task. The C-Team commits to providing an update regarding our proposed organizational schema moving forward no later than our First Quarter Report on C-Team Activities.

	HOURS	BUDGET
Task 1: EERMC Oversight	819	\$ 148,544
Task 2: Work products and representation of the EERMC	928	\$ 167,287
Task 3: Energy Efficiency and SRP Program Design and Delivery	1,977	\$ 356,602
Task 4: Advancing Integrated Approaches & Addressing Emerging Issues	677	\$ 117,490
EERMC Intern⁶	600	\$ 30,000
TOTAL	5,001	\$ 819,923

Note: The Consultant Team only bills for hours actually worked up to the total approved budget.

⁵ The administrative rate will be used by members of the Consultant Team for specific invoice entries that reflect administrative work streams. Unlike other rates in this table, it is the work stream rather than the staff member in question that defines when the rate will be applied.

⁶ While the URI Energy Fellows program requires a minimum of 600 hours for internships, the EERMC Intern position has the capacity to support incremental hours beyond this minimum amount.