

2023 Energy Efficiency Plan
Outline Memorandum
June 2, 2022

Dear Energy Efficiency Technical Working Group Members and EERMC Councilmembers,

The Narragansett Electric Company is providing stakeholders with this 2023 Energy Efficiency Plan Outline Memorandum (“Outline”) to provide early insights regarding the major changes and topics that will be addressed in the coming draft of the 2023 Annual Energy Efficiency Plan. The intention of this Outline is to highlight key programmatic elements of the forthcoming annual plan, programmatic and policy enhancements that are changes from previous Plans and that will be of interest and shape the discussion with stakeholders during the remainder of the planning process. The inclusion of this Outline follows the planning processes since 2020, when the Outline was first introduced as a way to preview key themes for the upcoming plan.

Creating this Outline gives guidance into the areas of focus for the upcoming Plan and provides stakeholders with additional notice regarding content areas that will be covered in the Plan to facilitate further conversations during the planning process.

As with the 2022 Annual Plan process, the addition of the Outline and extended review time are intended to increase visibility and relieve some of the time pressure stakeholders have faced in the review process. However, there is some information that simply is not available in the earlier stages of the process and therefore will be provided later in the process. For example, this Outline does not include preliminary 2023 savings, benefits, or budgets because those detailed quantitative planning processes are in process. This Outline also does not include quantitative analyses that are included in the Plan, including the assessment of cost of supply and rate and bill impacts. Those analyses are dependent upon the planning and screening processes and will therefore be provided at later stages of the annual planning process.

Further, when reviewing this Outline, please note the following:

- a. This Outline should not be considered as a complete list of topics that will be addressed in the first draft of the Plan and is not binding. Subject to further discussions with stakeholders and analysis during the planning process, content included here may be modified reflecting the early stage at which this Outline is provided.
- b. This Outline highlights areas that will be covered where they are noticeably different, or of a larger focus, than in previous years.
- c. The structure of the Outline below is based on the 2022 Annual Plan. This Outline has been modified to account for anticipated adjustments to the Plan content and format. For example, there are sections in this outline that are condensed from previous Annual Plans. When applicable, expected availability of additional content is indicated.
- d. The Company may refine and consolidate the text to make a more readable and accessible final document.

With these stated understandings, the Company hopes this document is helpful in highlighting the areas of feedback proposed by stakeholders through the Energy Efficiency Technical Working Group (EETWG) process and makes clear where stakeholders may expect to see program enhancements addressed in the first draft.

The Company requests that reviewers provide any written input on the contents of this Outline by June 17, 2022 with an expectation that discussion of the Outline will continue at the June 16, 2022 Energy Efficiency Resource Management Council (EERMC) meeting and the June 23, 2022 EETWG meeting.

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Pre-Filed Testimony

Consistent with the revised Least Cost Procurement Standards (“LCP Standards” or “Standards”) approved by the RI PUC in Docket 5015¹, the Company will include pre-filed testimony with the Plan that the Plan is compliant with the Standards.

EXECUTIVE SUMMARY AND INTRODUCTION

1. Introduction

This section will be rearranged into three parts: Plan Summary, The Planning Process, and How to Read This Plan.

1.1 Plan Summary

1.2 The Planning Process

1.3 How to Read This Plan

STRATEGIES AND APPROACHES TO PLANNING

2. Programs and Priorities

2.1 Strategic Overview of Programs and Priorities

The Company began stakeholder engagement for the 2023 Annual Plan through a survey sent out to stakeholders in March 2022. The survey included questions regarding stakeholder priorities and thoughts on plan structure and contents. During the March, April and May 2022 Energy Efficiency Technical Working Group meetings, the Company presented results from the survey and sought further input from a broad stakeholder group regarding their priorities and focus areas for the 2023 Annual Plan. During the planning process the Company will continue to engage with stakeholders to identify if and how the plan can address these identified priorities.

2.1.1 Principles of Program Design

In addition to the key stakeholder priorities identified through the early stages of the planning process, the Company indicated five key objectives and themes in the 2021 – 2023 Three-Year Plan. These themes will be further explored and expanded through strategies and program adjustments identified for the residential, income eligible, and commercial and industrial sectors.

- Deepen customer relationships;
- Drive adoption of comprehensive measures;
- Expand active demand response;

¹ RI PUC Docket 5015. <http://www.ripuc.ri.gov/eventsactions/docket/5015page.html>

- Achieve cost optimization and efficiency; and
- Apply a deeper equity lens across all program planning and delivery.

2.2 Residential Programs

In 2022, the Company concluded comprehensive research results from the Participant, multifamily census, and non-participant studies. Awareness in the Energy Efficiency programs has declined in recent years which supports the need to engage in a comprehensive awareness campaign. This campaign will also be paired with focused outreach in areas that have had lower participation. Focus on bridging equity barriers will be addressed with multilingual marketing materials and engagement with trusted community partners.

EnergyWise: 2023 anticipated changes include:

- Explore reducing weatherization incentives for non-electric and non-gas heated homes to improve cost-effectiveness.
- Facilitate customer pre-weatherization barrier remediation by providing contractor lists and information on additional funding and/or financing for barrier remediation.
- Use non-participant study results to target areas where there has traditionally been lower participation.

Residential Consumer Products: Continue to screen cost effectiveness of new consumer products offerings.

High-Efficiency Heating, Cooling and Hot Water Program (Energy Star HVAC): Leverage results of participant and non-participant residential research to continue to promote cost effective electric heat opportunities.

Residential New Construction: No anticipated changes from 2022 but will use 2022 evaluation results to inform program design.

Multifamily & Income Eligible Multifamily : 2023 anticipated changes include:

- Use Multifamily Census Study to target non-participants starting with largest multifamily facilities.
- Update multifamily marketing materials based on recommendations from the study.
- Continue to support multifamily opportunities within the Community Initiative.

2.3 Income Eligible Programs

In 2022, The Company began designing an Inter-Agency Referral pathway to enable the reallocation of underserved customers or territories to CAP agencies with greater workforce capabilities. In 2023, The Company will continue to explore ways to improve the efficiency of the income eligible programs, leverage federal funding to overcome pre-weatherization barriers, and serve more income eligible customers. Supply chain issues, which started with product shortages during COVID, continue to be a concern. The Company has pivoted to communicate in-stock replacement models for appliances and to

encourage customers to select what is currently available as a means to reduce wait times for replacement appliances.

Income Eligible Multifamily

*Income Eligible Multifamily is combined with Multifamily above.

2.4 Commercial and Industrial Programs

Large Commercial New Construction and Large Commercial Retrofit: 2023 changes include:

- **Supply Chain and Inflation:** The Company is conducting research, much in the form of interviews, with vendors, distributors, other business partners, and other utilities regarding supply chain delays and rising equipment and labor costs. These global macroeconomic factors are impacting program execution in 2022 and are expected to impact 2023 in multiple ways. First and foremost, the Company may plan for increased incentive levels in 2023 to offset cost increases. Likewise, if there is limited availability of equipment required for specific measures, the company may ratchet down anticipated savings from these measures. Finally, some customers have reported widespread budget constraints, driven by inflation or reduced demand for their products and services have, and thus have allocated less budget to energy efficiency and capital investments.
- **Building Analytics:** As an extension of the Equipment & Systems Performance Optimization (ESPO) initiative, the Company is launching a new initiative to support building analytics solutions. These solutions allow for identification of a wide range of system optimization opportunities, primarily related to HVAC. Common measures include elimination of simultaneous heating and cooling, adjustments to setpoints and schedules, repair of damaged or broken equipment, economizer optimization, and reset controls. Although the Company has offered funding for this type of measure through the current ESPO Monitoring Based Commissioning offer since 2019, that initiative has received limited uptake and low measure persistence. To address these barriers, the new Building Analytics initiative will offer funding for system set-up and associated services provided by prequalified service providers. The Company selected a third-party implementor with expertise in this specialized field to oversee the initiative, review customer savings calculations, manage service providers, help recruit customers, and streamline the experience for customers and service providers. In collaboration with the Company, the vendor will issue a solicitation to select service providers in 2022, with customer recruitment beginning later this year and ramping up in 2023. Savings often take a full year to materialize; thus, the Company anticipates moderate savings in 2023 and significantly more in future years.
 - As an offshoot of the Building Analytics offering, the Company is beginning to fund solutions targeting both compressed air and steam trap systems and plans to scale this offering in 2023.
- **Strategic Energy Management Partnership (SEMP):** In 2023, the Company will utilize a newly created library of technical assistance studies for the State of Rhode Island SEMP. This library

will track energy conservation measures that have been identified but not yet implemented. The objective is to reduce or eliminate the need for redundant studies, improving program cost efficiency while providing insights to plan for comprehensive, multi-year strategies. Additionally, the Company will partner with the Office of Energy Resources (OER) to leverage a new process created to streamline SEMP projects across State agencies. These processes address lighting and mechanical retrofits as well as new construction projects. In particular, the new construction process will allow OER and other state agencies to better engage with developers during the early stages of the design process.

- **Technical Studies:** The Company is exploring opportunities to improve its processes around technical analysis, project identification, and long-term planning. Ideas under exploration include ensuring facility audits explore a broader array of measures, developing a library of technical studies (modeled on the library developed for the State SEMP), and better leveraging information contained in these studies to identify future measures.

Small Business Direct Install: In 2023, the Small Business Program will continue to build on four main areas that were highlighted in the 2022 EE Plan.

- Weatherization of gas and electric small businesses.
- HVAC and other non-lighting measures for appropriate customers. This may include, but is not limited to, measures such as Demand Control Ventilation (DCV) in small commercial real estate, Condensing make-up air handling units (MAU) in non-chain restaurants and warehouses, and Packaged Terminal Heat Pumps (PTHP) in motels/hotels. The final mix of measures will depend on several factors including budget, the amount of expected benefits for each solution, and development of other solution pathways.
- Increased focus on lighting solutions with controls. The Company reaffirms its commitment to deploying lighting solutions with controls where appropriate.
- Continued outreach to serve Woman and Minority Owned Businesses.

2.5 Cross-Cutting Programs

2.5.1 *Community-Based Initiative*

Traditionally, the Community-Based Initiative has served to elevate the collective Residential and Small Business Energy Efficiency Programs within cities by enlisting community-based channels and local stakeholders to promote the Initiative and established goals.

The Initiative now also includes a partnership with Quonset Development Corporation (QDC) to promote energy efficiency among businesses located at the Quonset Business Park in North Kingstown. The partnership with QDC will continue through an updated memorandum of understanding beginning in 2023.

Although no municipalities chose to participate in 2022, there is a renewed emphasis on attracting communities in 2023. In addition to energy efficiency, the program will include elements of equity and workforce development.

2.5.2 Codes and Standards Support

Because the state adopted a new International Energy Conservation Code (IECC) in 2022, compliance activities in 2023 will include education and resources related to the newly adopted code. The Company is also exploring opportunities to conduct research and analysis in support of future RI state codes and standards updates (including reversal of weakening amendments in state code relative to IECC). These activities will not include advocacy, and expenditures will be relatively limited.

2.6 Participation and Outreach

No major revisions anticipated.

2.6.1 Workforce Development

In 2023, the Company plans to investigate new areas to deliver additional benefits to ratepayers. Residential efforts are likely to include training on emerging focus areas, such as air source heat pump opportunity identification and weatherization installation. New C&I sector activities may include technical trainings and certifications related to building operations, controls, automation, and HVAC to facility/energy managers, contractors, and program vendors. The trainings are designed both to generate interest in deeper energy savings among customers and to improve the ability of local industry professionals to deliver these trainings. Feedback from activities conducted in 2022, as well as surveys of potential future training participants, will inform the planning of similar activities in 2023.

2.7 Equity

No major revisions anticipated.

3. Pilots, Demonstrations and Assessments

The Company will continue to incorporate pilots, demonstrations, and assessments in the portfolio. Several of these efforts are currently expected to sunset in 2022. In an effort to consolidate activities and focus on opportunities with the greatest potential, fewer new pilots, demonstrations, and assessments will be planned in 2023. Additional information will be provided in Attachment 8.

4. Evaluation Measurement and Verification Plan

No major revisions anticipated to the section. Additional information provided in the Attachment 3 section below indicates what EM&V studies are expected to inform savings assumptions in the 2023 Plan.

5. Coordination with Other Energy Policies and Programs

This section will continue to describe the ways that the energy efficiency programs coordinate with, influence, and are influenced by other dockets before the RI PUC and by state and Company policies. At this time the Company anticipates several areas of continued focus and coordination will inform the plan.

5.1 System Reliability Procurement

No major revisions anticipated. The Company will continue to coordinate with SRP plans and filings, including the development of the NPA framework within the SRP pathway.

5.2 Advanced Metering Functionality, Grid Modernization, Rate Cases, Renewables

The Company will assess how the energy efficiency portfolio can best coordinate with dockets before the RI PUC including the AMF business case and Grid Modernization plans once the stays for those two dockets have been lifted.

5.3 Act on Climate

The Act on Climate Legislation was signed into law by Governor McKee in April 2021. This legislation accelerates the timeline of legislated GHG reductions in RI. Specifically, 10% below 1990 levels by 2020; 45% below 1990 levels by 2030 (previously 2035); 80% below 1990 levels by 2040 (previously 2050); and net-zero emissions by 2050 (new). Moving forward, the Company's energy efficiency programs will continue to set energy reduction goals which contribute to these statewide GHG emissions reduction targets and will be reporting out on GHG emissions reductions in quarterly and annual reports, as a secondary goal.

5.3.1 Electrification, Heat Pumps, and Delivered Fuel Policy and Objectives

The Company plans to continue to offer enhanced incentives for customers installing heat pumps using allocated RGGI funds from OER, to the degree that those funds extend into 2023. At this time the Company does not have visibility to a direct regulatory pathway to the promotion of electrification for delivered fuel customers by way of system benefit charge collections. The Company will also assess the implications of the PUC's decision on prioritized benefits in the Performance Incentive Mechanism to determine if adjustments are warranted in the composition of the portfolio.

5.4 Codes and Standards Program and Accounting for New Codes and Standards

The Rhode Island Building Code Commission is considering another building code update in 2023. If this takes effect, the Company will adjust baselines accordingly. Baselines for specific equipment are adjusted on an ongoing basis to account for updated equipment standards.

6. Multi-Year Strategies

Consistent with the revised LCP Standards in Docket 5015, the Company will continue to note multi-year strategies in the Annual Plan.

6.1 Combined Heat and Power

Although the Company does not anticipate completion of any new combined heat and power (CHP) projects in 2023, it continues to work with customers, developers, and stakeholders to consider opportunities that arise, as required by statute. In addition, the Company continues to monitor

developments surrounding a 13 MW project (RI Grows) that was originally considered as part of the 2022 Draft Plan but was removed prior to the hearings.

6.2 Rhode Island Infrastructure Bank (RIIB)

The Company will transfer \$5,000,000 to RIIB in 2023 in accordance with the latest revision of the Least Cost Procurement statute.

CONSISTENCY WITH STANDARDS

7. Least Cost Procurement Law and Standards

This section will continue to describe the Company's assessment of the Plan's compliance with Least Cost Procurement Law and the LCP Standards as revised in Docket 5015. In the interest of clarity, the section will be reorganized to follow the order of the Standards section 1.3. Each subsection will first describe how the principle has been interpreted by the Company followed by a description of how the 2023 Plan meets that standard.

7.1 Cost Effectiveness

As in past years, the Company will continue to prioritize cost efficiencies and identify areas to reduce costs and increase energy savings and benefits. The Company will present cost effectiveness without the inclusion of the monetized value of economic impacts, as discussed in Docket 5189. Economic impacts will be presented in isolation. Additional details on the approach to cost effectiveness and anticipated changes to the methodology for application in the 2023 Annual Plan are detailed in Attachment 4.

7.2 Reliability

No major revisions anticipated.

7.3 Prudency

No major revisions anticipated.

7.3.1 *General Considerations of Prudency*

No major revisions anticipated.

7.3.2 *Equity*

Although there are no major revisions anticipated to the equity related processes and timelines outlined in the 2022 Plan, the Company will continue to incorporate and fine tune commitments identified in 2022. Equity will continue to be a large focus area with iterative and continued enhancements.

7.3.3 *Parity Among Sectors*

No major revisions anticipated.

7.3.4 Rate and Bill Impacts

Delivered fuel bill impacts are anticipated to be added. Otherwise, no major revisions anticipated.

7.4 Environmentally Responsible

No major revisions anticipated.

7.4.1 Emissions Reductions

No major revisions anticipated.

7.4.2 Support for an Environmentally Responsible Local Jobs Infrastructure

No major revisions anticipated.

7.4.3 Raised Customer Awareness of Environmental Issues and the Impacts of their Choices

No major revisions anticipated.

7.5 Cost of Annual Plan Compared to the Cost of Energy Supply

The Company plans to expand this section to detail the calculations of the cost of supply, consistent with the 2022 Annual Plan and subsequent data requests in Docket 5189. Additionally, the Company is proposing an adjustment to the methodology regarding utility non-energy impacts to align with how utility non-energy impacts are treated in the performance incentive mechanism.

FUNDING PLAN, BUDGET AND GOALS

8. Savings Goals

This section will be streamlined for reading and display purposes. Savings goals will change from those included in the 2023 year of the 2021 – 2023 Three-Year Plan Compliance Filings.

Carbon and NOx Reductions will be calculated and reported as secondary goals in 2023 consistent with the Standards and the Act on Climate.

8.1 Annual Plan Compared to the Three-Year Plan

The Company anticipates there will be changes to program year 2023 from the illustrative savings, benefits, and costs as shown in the Company's compliance filings for the Three-Year Plan (3YP). Changes from the Three-Year Plan compliance filings will be explained in the text of the Annual Plan. Top-line values from the Three-Year Plan compliance filings will be shown in the table below for reference.

Table 1. Comparison of 2023 Electric Portfolio in Three-Year Plan Compliance Filing and 2023 Annual Plan

Electric Portfolio	2023 in 3YP Compliance Filing	2023 Annual Plan	% Change
Annual Savings (MWh)	131,873	-	-
Lifetime Savings (MWh)	1,333,218	-	-
Total Benefits (RI Test)	\$ 646,450,249	-	-
Total Spending	\$ 128,755,600	-	-
Benefit Cost Ratio (RI Test)	4.29	-	-
Cost/Lifetime kWh	\$ 0.109	-	-
EE Program Charge per kWh	\$ 0.01726	-	-

Table 2. Comparison of 2023 Gas Portfolio in Three-Year Plan Compliance Filing and 2023 Annual Plan

Gas Portfolio	2023 in 3YP Compliance Filing	2023 Annual Plan	% Change
Annual Savings (MMBtu)	440,421	-	-
Lifetime Savings (MMBtu)	4,447,108	-	-
Cost/Lifetime MMBtu	\$10.63	-	-
Total Benefits (RI Test)	\$151,000,725	-	-
Total Spending	\$38,558,829	-	-
Benefit Cost Ratio (RI Test)	3.08	-	-
C&I EE Program Charge per Dth	\$0.787	-	-
Residential EE Program Charge per Dth	\$1.131	-	-

9. Funding Plan and Budgets

The 2023 Annual Plan will be submitted to the RI PUC on October 1, 2022, consistent with the revised LCP Standards issued by the RI PUC in 2020. Given this updated timeline compared to prior years, the Company may not be able to include its updated annual electric load forecast for the October 1st filing. When the electric forecast is available, the Company will provide an updated filing to the RI PUC, consistent with past practice when incremental information on in-year spend is available following filing.

9.1 Budgets

Based on guidance from the RI PUC at the December 22, 2020 and January 25, 2022 open meeting, the Company, absent the identification of additional opportunities to drive the prioritized net benefits streams identified by the PUC, anticipates adhering to the 5% target budget increase communicated by the PUC in its approval of the 2021- 2023 Three Year Plan and 2022 Annual Plan. Any adjustments to this target 5% budget increase above levels approved by the RI PUC for 2023 in the most recent energy efficiency hearings and open meeting decisions will need to take into account the Commission’s guidance on prudence and reliability, including an understanding of long-term bill impacts and realization of prioritized benefit streams.

9.2 Funding Plan

9.2.1 *Energy Efficiency Charges.*

No major revisions anticipated.

9.2.2 *Fund Balances*

No major revisions anticipated.

9.2.3 *ISO-NE Capacity Market Revenue*

Similar to the past several years, FCM revenues will continue to decline from approximately \$14.7M in the 2022 Annual Plan to \$10.1M in the 2023 Annual Plan, placing further upward pressure on the electric energy efficiency rate.

9.2.4 *RGGI Funding*

This is a new section to clarify the use of RGGI funds and synergies.

9.2.5 *Exceptions to the Natural Gas Energy Efficiency Program Charge*

No major revisions anticipated.

9.2.6 *Budget Management*

No major revisions anticipated.

9.2.7 *Transferring Funds*

No major revisions anticipated.

9.2.8 *Notification of Large Customer Incentives*

No major revisions anticipated.

10. Performance Incentive Plan

The RI PUC approved a new performance incentive mechanism (PIM) for 2021 – 2023 in Docket 5076. Throughout 2021, the Company tracked results for this new PIM and will apply any lessons learned to program implementation in 2023.

The Company does not anticipate proposing structural changes to the PIM. However, the Company does have two recommendations regarding the current definition of PIM inputs:

- 1) The Company proposes removing legislatively-mandated transfers to the Rhode Island Infrastructure Bank (RIIB) and the Office of Energy Resources (OER) from PIM-eligible costs. Rhode Island General Laws Title 39, Chapter 2, Section 39-2-1.2, Article (n) states that the RIIB transfer, “shall be eligible to be used in any energy efficiency, renewable energy, or demand-side management project financing program administered by the Rhode Island Infrastructure Bank **notwithstanding any other restrictions on the use of such collections set**

forth.”(emphasis added)² Article (j) of the same section states that the OER transfer can be used, “for activities associated with planning, management, and evaluation of energy-efficiency programs, renewable energy programs, system reliability, least-cost procurement, and with regulatory proceedings, contested cases, and **other actions pertaining to the purposes, powers, and duties of the office of energy resources.”**(emphasis added)³ Both quotes show that the RIIB and OER legislative transfers can be used for projects and initiatives other than energy efficiency programs administered by the Company. Therefore, neither transfer should be included in a PIM focused specifically on guiding Company’s investments of energy efficiency funds to create net benefits to customers. The Company is not proposing the same exclusion for the funds transferred to the EERMC under section (j) from PIM-eligible costs, because the primary focus of the EERMC is oversight of the Company’s programs.

- 2) The Company believes that the exclusion of carbon benefits from the PIM is not consistent with the Environmentally Responsible section of the LCP Standards. Even though the full value of carbon-associated environmental damages is not properly monetized in energy markets, and are therefore beyond the direct influence of the Commission and the Company, the Company will respectfully suggest that the PUC should consider recognizing within the PIM – consistent with the Standards and the Act on Climate - the importance of reduced carbon emissions on guiding utility investments.

The 2021 and 2022 Plan review process has indicated that the incentive pool is reset every year. For 2022, the Division proposed the application of three metrics to determine the incentive pool:⁴ percentage of planned PIM-eligible net benefits (primary), basis points, and return on avoided capital costs. For 2023, the Company proposes to apply the three metrics to determine the proposed incentive pool for 2023 and will use the outcome of the Division’s application of them to the 2022 Plan to guide its efforts.⁵

² Rhode Island General Laws, Title 39 Public Utilities and Carriers, Chapter 2 Duties of Utilities and Carriers, Section 39-2-1.2. <http://webserver.rilegislature.gov//Statutes/TITLE39/39-2/39-2-1.2.htm>

³ Ibid

⁴ Corrected Attachment to Division Responses to National Grid Data Requests Set 1, submitted by the Division in Docket 5189 on January 6th 2022. <http://www.ripuc.ri.gov/eventsactions/docket/5189-DIV%20Corrected%20Attachment%20to%20Division%20Reponses%20to%20National%20Grid%20Data%20Request%20Set%201.pdf>

⁵ For the electric portfolio, the 2022 incentive pool was set at 15% of electric planned eligible net benefits (\$3.4M). This amount is significantly less than the 2021 pool of \$5.5M, therefore reflecting 2022’s decrease in planned PIM-eligible net benefits. For the gas portfolio, 2022 planned PIM-eligible net benefits are negative. Therefore, basis points and return on avoided capital costs were used to determine an incentive pool of \$1.0M. According to the Division, this amount, while lower than the 2021 incentive pool of \$1.7M, provides a sufficient 21 basis points and is lower than the expected return on avoided capital costs.

11. Future Performance Metrics

Throughout the planning process, the Company will engage with stakeholders if updates are needed to this section of the plan regarding future performance metrics.

12. Advancing Docket 4600 Principles and Goals

No major revisions anticipated. This section will detail how the 2023 Plan advances the principles and goals from Docket 4600.

CONCLUSION

13. Miscellaneous Provisions

No major revisions anticipated. This section will indicate specific caveats and stipulations of the Plan.

14. Reporting Requirements

No major revisions to this section are anticipated. This section will provide information on the quarterly and annual reporting on the implementation of the 2023 Annual Plan.

15. Requested Rulings

Consistent with the latest revised LCP Standards, this section will indicate the specific rulings the Company requests of the RI PUC through this filing.

ATTACHMENTS

Annual Plan Attachment 1. Residential and Income Eligible Energy Efficiency Solutions and Programs

Anticipated revisions to program strategy highlighted in Sections 2.2 and 2.3 above. This attachment will continue to provide detail about all elements of the Residential and Income Eligible programs.

Annual Plan Attachment 2. Commercial and Industrial Energy Efficiency Solutions and Programs

Anticipated revisions to program strategy highlighted in Section 2.4 above. This attachment will continue to provide detail about all elements of the Commercial and Industrial programs.

Annual Plan Attachment 3. Evaluation, Measurement & Verification Plan

This attachment will provide an overview of the Evaluation, Measurement & Verification (EM&V) process in Rhode Island, including description of how EM&V studies influence program savings, program

designs, and what areas may be explored through EM&V studies in 2023. The table below lists the evaluation studies that are expected to inform savings assumptions in the 2023 Plan.

Table 3. Evaluation, Measurement, and Verification Studies Informing the Claimable Savings in the 2023 Annual Plan

Program	Study Name	State
Residential	RI-21-RX-Participation - EE Participation Study and Census Study	RI
Residential	RI-21-RX-NPStudy - EE Non-Participant Study	RI
Demand Response	RI-21-RE-SolarDRDemo - Solar Inverter Power Factor Correction Demonstration Evaluation	RI
C&I Electric	RI-21-CE-LightMar - C&I Lighting Market Characterization Study	RI
C&I Gas	RI-21-CG-CustGasPY20 - Impact Evaluation of PY2020 Custom Gas Installations	RI
C&I Electric	RI-21-CE-CustElecPY20 - Impact Evaluation of PY2020 Custom Electric Installations	RI
C&I	RI-21-CX-ISPBaseline - C&I ISP and Baseline - Cannabis ISP	RI
C&I	MA20CXX-B-ETRM - eTRM Review	MA
C&I Gas	MA21C02-G-ST - Steam Traps and Boiler Efficiency Research Phase II	MA
C&I	MA20X10-B-CIOMNEI - C&I O&M and non-O&M NEI with Small Business Focus	MA
All	RI-22-XX-Workforce - Workforce Associated with Rhode Island Energy Efficiency Programs Analysis Study (Managed by CEM Policy)	RI

This section will also detail evaluation studies to be conducted in 2023. The Company will develop a list of 2023 evaluation studies and will incorporate feedback from the EERMC Consultants and OER during the planning process.

Annual Plan Attachment 4. Rhode Island Benefit Cost Test Description

This section will provide a description of the approach to calculating all component benefits and costs in the RI Test as applied to the Energy Efficiency portfolio, and how the RI Test aligns with the benefit cost framework as detailed in Docket 4600.

The Company anticipates making two changes to the presentation of cost-effectiveness in the 2023 Plan:

1. In the 2022 Plan, economic impacts were monetized and presented as a secondary view of cost effectiveness. For 2023, economic impacts will be updated but will not be monetized as part of the RI Test.
2. The Company anticipates including a non-pool transmission facility (PTF) transmission capacity value as part of the avoided transmission capacity benefit.

Annual Plan Attachment 5 and Attachment 6. Electric and Gas Energy Efficiency Program Tables

The Company may make incremental updates to the tables in Attachments 5 and 6. Primarily these will be to provide greater clarity where needed. Specifically, the Company currently plans to have a separate table in Attachment 5 and 6 that presents economic impacts.

Annual Plan Attachment 7. Rate and Bill Impacts

See Section 7.3.4.

Annual Plan Attachment 8. Pilots, Demonstrations & Assessments

See Section 3.

Annual Plan Attachment 9. Cross-Program Summary

No major revisions anticipated.

Annual Plan Attachment 10. Definitions

No major revisions anticipated.

2023 Annual Plan Timeline

June

June 2 – 2023 Annual Plan Outline Memorandum sent to EERMC and TWG

June 16 – EERMC Council Meeting

June 17– Comments due from EERMC and Stakeholders on Plan Outline Memorandum

June 23 – EE Technical Working Group

- Discussion of comments from stakeholders on plan outline memo

June 29 – EM&V changes to BC model locked for draft

July

July 12 – 2023 Annual Plan Draft sent to EERMC and TWG

July 13 – Submit Draft 2023 EE BC model and TRM database to EERMC Consultant Team

July 28 – EE Technical Working Group

- Initial input on 2023 Draft Annual Plan

July 28 – EERMC Council Meeting

July 29 – Comments due from EERMC and Stakeholders on Draft Plan and BC Model

August

August 5– Deadline for RI and MA Evaluation Studies to be completed

August 18 – EERMC Council Meeting

August 25 – EERMC Budget due for inclusion in the 2023 Annual Plan

August 25– EE Technical Working Group

- Final stakeholder discussion and inputs on the 2023 Annual Plan for incorporation into final

September

September 8 – 2023 Annual Plan Final sent to EERMC and TWG

September 9 – 2023 BC Model sent to C-Team

September 15 – EERMC Council Meeting

September 29 – EERMC Council Meeting

- Vote on 2023 Annual Plan

September 30 – EE Technical Working Group

- Settlement discussion with stakeholders
- Circulate signature pages to settling parties
- Signature pages due from settling parties

September 30 – File 2023 Annual Plan with PUC

October

October 3 – Submit final 2023 EE Annual Plan BC model

October 11 – TRM filed with PUC this week

October 14 – Submit final TRM database to C-team for record keeping

October 20 – EERMC Council Meeting

October TBD – Updated E-1 and G-1 submitted to PUC account for new electric forecast and fund balance updates

October 1 – late November: 2023 Annual Plan Hearing Prep and anticipated PUC Discovery

November

November 17 – EERMC Council Meeting

December

December – PUC Hearings on 2023 Annual Plan

December 15 – EERMC Council Meeting