



STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

# EERMC Priorities 2024-2026 Plan Priorities

Presented By: EERMC C-Team

Date: December 15, 2022





# Outline

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Background

2024-2026 Plan Priorities

Next Steps

Council Discussion

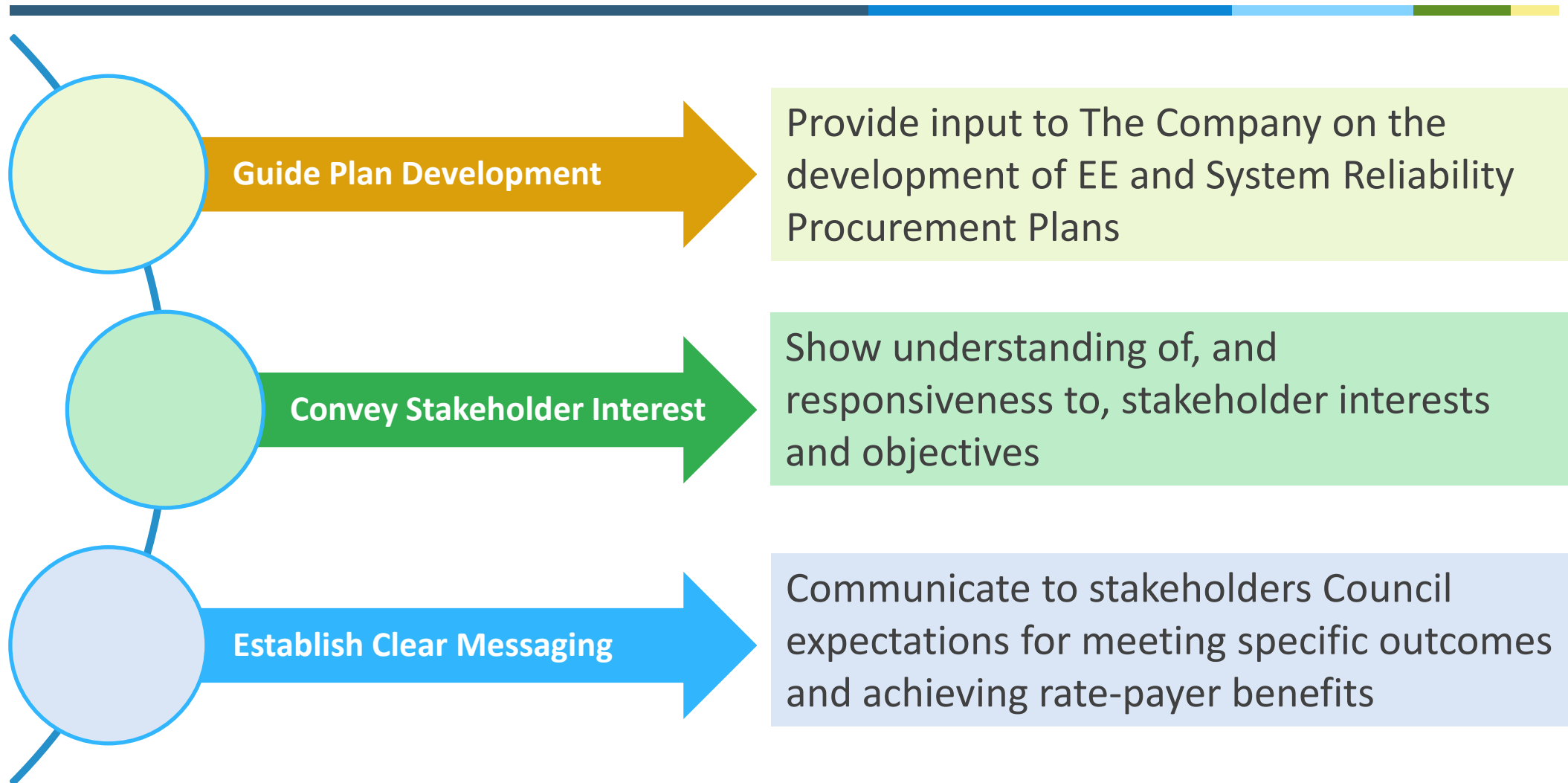


# BACKGROUND





# Why Set Plan Priorities?





# How Are Priorities Used?

## Stakeholder Communication

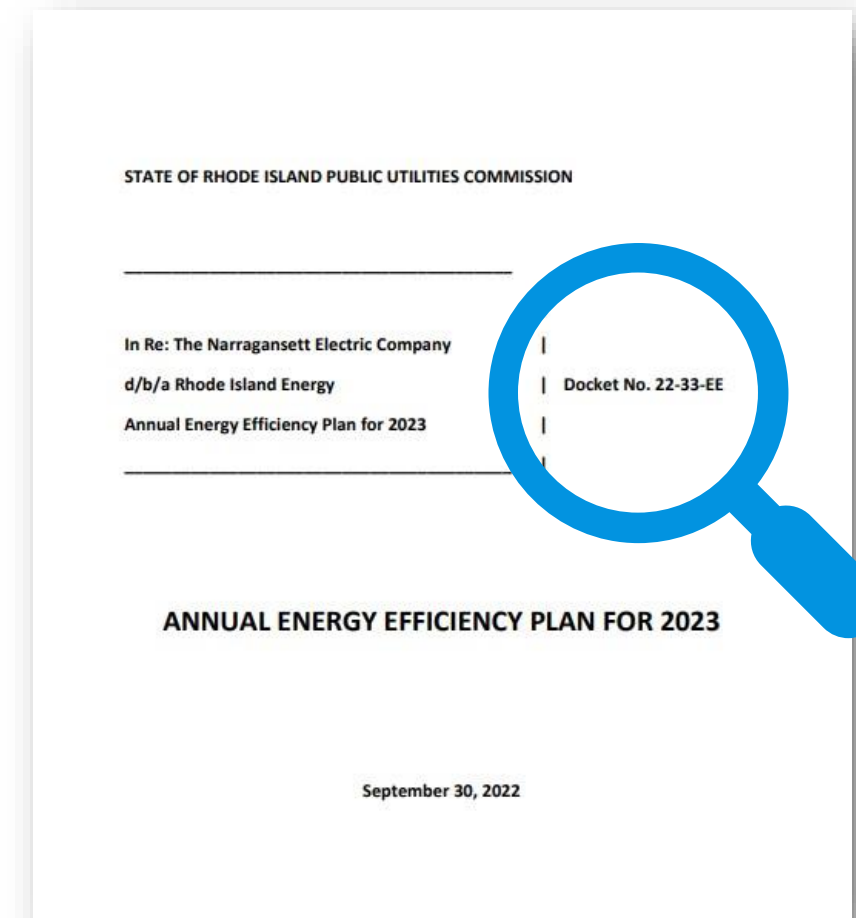
- Presented to EE Technical Working Group

## Plan Review

- Consistently referenced during C-Team review of Plan drafts and final versions

## Regulatory Proceedings

- Often cited in regulatory proceedings in testimony and written comments








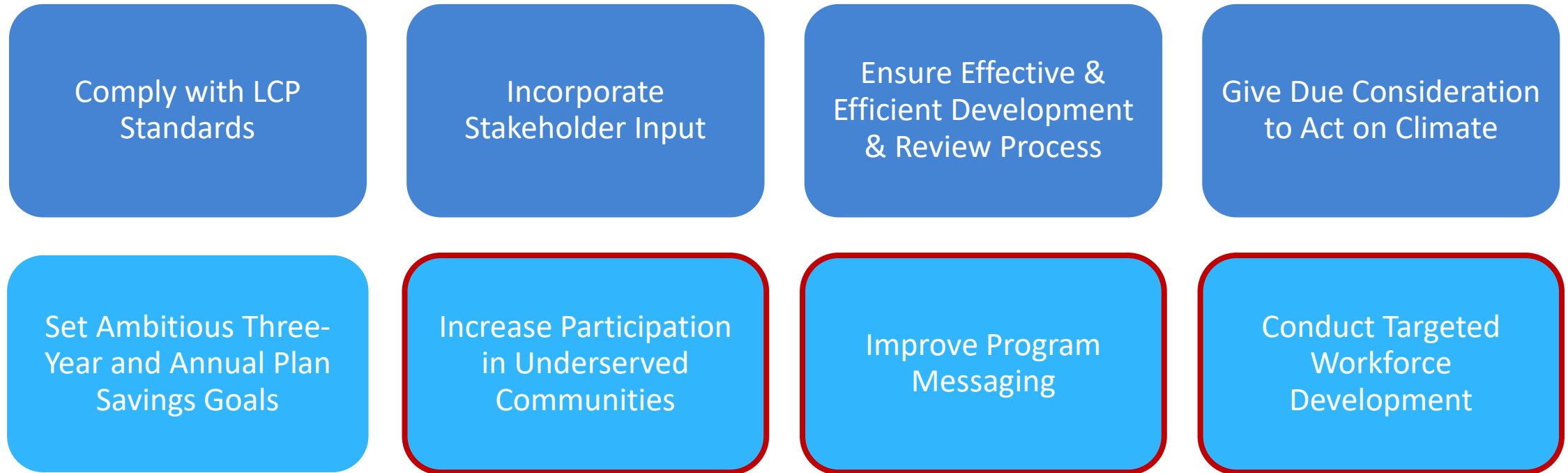
# 2024-2026 PLAN PRIORITIES





-  Prior Plan Priority
-  New Plan Priority
-  Equity-focused Priority

# Proposed 2024-2026 EE Plan Priorities



Replaces broader “Support Equity and Access” priority from 2023 Plan, alongside equity focused elements within other priorities



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Comply with LCP Standards



Apply the clear, outcome-oriented direction provided in the Least-Cost Procurement Standards section on General Plan Design and Principles for annual planning

Include key metrics to be tracked and reported





- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Incorporate Stakeholder Input

Comply with LCP Standards

Incorporate Stakeholder Input

Reflect priorities set by Technical Working Group members

Ensure Effective & Efficient Development & Review Process

Give Due Consideration to Act on Climate

Reflect Equity Working Group findings and conclusions throughout Plan

Set Ambitious Three-Year and Annual Plan Savings Goals

Increase Participation in Underserved Communities

Incorporate input from robust and actionable Customer Feedback Activities

Improve Program Messaging

Conduct Targeted Workforce Development



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Effective Development Review Process



Adhere to *Key Deliverables and Schedule*

Assure necessary time is afforded to the EERMC and stakeholders to participate in, review and reach clear understanding of the content of the 2024-2026 EE Plans sufficient to make informed decisions on whether to endorse the Plans



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Due Consideration to Act on Climate



Set Three-Year Plan savings goals to ensure EE programs contribute an appropriate share of carbon emissions reductions

Clearly articulate the Company's understanding of the minimum necessary contribution from EE that is consistent with a pathway to meeting Act on Climate goals

Engage in a robust stakeholder process for determining an appropriate carbon pricing approach

Promote EE participation among Rhode Island communities most vulnerable to climate change



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Set Ambitious Savings Goals



Set ambitious Three Year and Annual Plan goals for 2024-2026 that signal to the industry the intent to grow energy efficiency programs and participation

Make a concerted effort to design programs and Plans that seek to meet or exceed EERMC-recommended targets and make an appropriate contribution to meeting Act on Climate goals



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Increase Participation in Underserved Communities



Engage energy efficiency stakeholders to establish specific criteria for target, underserved, or environmental justice communities as part of the 2024-2026 Three-Year Plan development process

Target each of those communities throughout 2024-2026



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Improve Program Messaging



Consider opportunities for energy bills to advertise program benefits

Develop a comprehensive strategy to ensure language access provisions are included in all marketing and workforce developing activities

Ensure renters, microbusinesses, and other Nonparticipants receive targeted messaging on program offerings they can leverage



- Prior Plan Priority
- New Plan Priority
- Equity-focused Priority

# Targeted Workforce Development



Develop detailed workforce development plans that target small/MWBE contractors

Provide technical support for small/MWBE contractors seeking to participate as energy efficiency program vendors

Deliver small/MWBE contractor trainings that target underserved communities in Rhode Island



# Proposed 2024-2026 SRP Plan Priorities

Rhode Island Energy will be developing a separate System Reliability Procurement (SRP) Three Year Plan for 2024-2026 during 2023. The priorities here relate to the development of that Plan.

Category	The 2023 System Reliability Procurement Plan Should...
Responsiveness	Demonstrate continued responsiveness to Council and other stakeholder input, including during the development of the 2024-2026 SRP Three Year Plan
Stakeholder Engagement	Ensure sufficient opportunities for stakeholder engagement and substantive contributions during SRP planning and implementation
Continued Methodological Development	Actively pursue further development of benefit cost analysis and assessment of internal EE and DER solutions to grid needs
Complete Non-Pipes Program Design and other 2021-2023 3YP Commitments	Ensure Non-Pipes Alternative (NPA) program design is complete within 2023. Ensure that the results of this program design work, and any other learnings from the 2021-2023 3YP, are appropriately incorporated and built upon in 2024-2026 3YP.





# Other Potential 2024-2026 Plan Priority Considerations

What *recent developments* should factor into 2024 Plan design?



Ongoing economic issues

PUC rulings on 2023 Annual Plan

Legislative & policy trends (local, state, federal)

– Includes additional program funding opportunities

2022 performance (and 2023 to-date) at program, sector & portfolio levels

– Including status of commitments made in 2023 Plan



# Other Potential 2024-2026 Plan Priority Considerations

What are the *current challenges* facing your constituent group?

What *new developments* are you seeing?

Can *energy efficiency play a role* in addressing those challenges and developments?

How should the 2024-2026 EE Plans be developed to best *meet the current needs* of your constituent group?





# NEXT STEPS





# Next Steps

## December – January – One-on-one meetings

- Council members can discuss potential EE Priorities with the C-Team and provide written comments as materials are being drafted

**January** – Council receives and discusses First Draft EE Priorities

**February/March** – Council discusses, refines & votes on EE Priorities

**March** – C-Team presents EE Priorities to EE TWG



# Council Member Discussion





# APPENDIX





# 2023 PLAN PRIORITIES





# 2023 Plan Priority Areas

Align with Three-Year Plan

Comply with LCP Standards

Incorporate Stakeholder Input

Support Equity & Access

Ensure Effective & Efficient Development & Review Process

Give Due Consideration to Act on Climate





# 2023 Plan Priorities

## Priority #1: Align with Three-Year Plan

- Identify how each of the “5 Key Priorities” in the Three-Year Plan will apply in the 2023 Plan
- Reference “Base” and “High” Scenarios for savings and benefit goals
- Pursue cost-efficiency to deliver maximum savings and benefits
- Align mix of savings with Market Potential Study (MPS)

## Priority #2: Comply with Least Cost Procurement (LCP) Standards

- Apply the clear, outcome-oriented direction provided in the LCP Standards section on General Plan Design and Principles for annual planning
- Include key metrics to be tracked and reported

## Priority #3: Incorporate Stakeholder Input

- Reflect Priorities received through the Utility Survey and Technical Working Group member input
- Incorporate input from robust and actionable Customer Feedback Activities

## Priority #4: Support Equity and Access

- Fulfill and apply results to 2023 Plan from the 2022 Plan commitments, including:
  - Nonparticipant Market Barriers Study (May 2022)
  - Participation and Multifamily Census Study (May 2022)
  - Enhancements stemming from recommendations of the Equity Working Group (EWG)
- Demonstrate progress on—and build upon—enhancements in 2022 Plan related to EWG recommendations
- Include clear, detailed remediation strategies to assure corrective action on underperforming programs



# 2023 Plan Priorities

## **Priority #5: Ensure an Effective and Efficient Development and Review Process**

- Adhere to Key Deliverables and Schedule
- Assure necessary time is afforded the EERMC and stakeholders to participate in, review, and reach clear understanding of the content of the 2023 EE Plan sufficient to make informed decisions on whether to endorse the Plan

## **Priority #6: Give Due Consideration to Act on Climate Mandates**

- Make clear references to how the Act on Climate was considered during the development of the 2023 EE Plan
- Document how anticipated outcomes of the 2023 EE Plan will contribute towards the mandatory Greenhouse Gas emissions reduction targets that were established as part of the legislation

## **System Reliability Procurement (SRP) Plan Priorities**

- Be Responsive – Continued responsiveness to Council and other stakeholder input, including specific points identified in the Council’s comments on the SRP Plan
- Engage Stakeholders – Ensure sufficient opportunities for stakeholder engagement and substantive contributions during SRP planning and implementation
- Actively pursue further development of the Non-Pipes Alternatives (NPA) program and other methodological refinements



# 2021-2023 THREE-YEAR PLAN PRIORITIES





# 2021-2023 Three-Year Plan Priorities

## 1. Three-Year Plan should:

- actively seek to procure the savings Targets proposed by the EERMC and approved by the RI Public Utilities Commission (PUC)
- focus on acquiring the Targets as cost-efficiently as possible. This emphasis on cost-**efficiency** is an important companion to cost-**effectiveness**. All efforts should be made to transparently and properly set implementation budgets, rebate & incentive levels, and utility performance incentives to achieve targets at least cost
- comply with the LCP Standards
- align, where appropriate, with the Council’s Policy Recommendations proposed in the 2020 Annual Report to the General Assembly
- *Other?*



# 2021-2023 Three-Year Plan Priorities

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2. The Three-Year Plan development process should create forums for consistent, comprehensive, informed and publicly accountable **stakeholder involvement** in energy efficiency and system reliability planning.

3. The development and delivery of programs should support and compliment **state policy and regulatory objectives**, especially those relating to greenhouse gas emission reductions and economic issues.



# Previously proposed Priorities

## 4. Objectives for Energy Efficiency programs must:

- ensure that **all customers and segments of the market have access** to the benefits of energy efficiency savings
- should include dynamic strategies that coordinate with renewable energy deployment efforts, state health initiatives, resiliency efforts, and any other relevant state and federal programs that promote well-being and energy security and affordability for all Rhode Islanders.
- *Other?*