



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

CONSULTANT TEAM



**Rhode Island
Energy™**
a PPL company

2023 Second Quarter Results Update

Presented to the EERMC By:
EERMC Consulting Team
Rhode Island Energy

Date: August 17, 2023





Outline

Portfolio Performance

Consultant Team Program Highlights

Rhode Island Energy Sector Highlights

Discussion

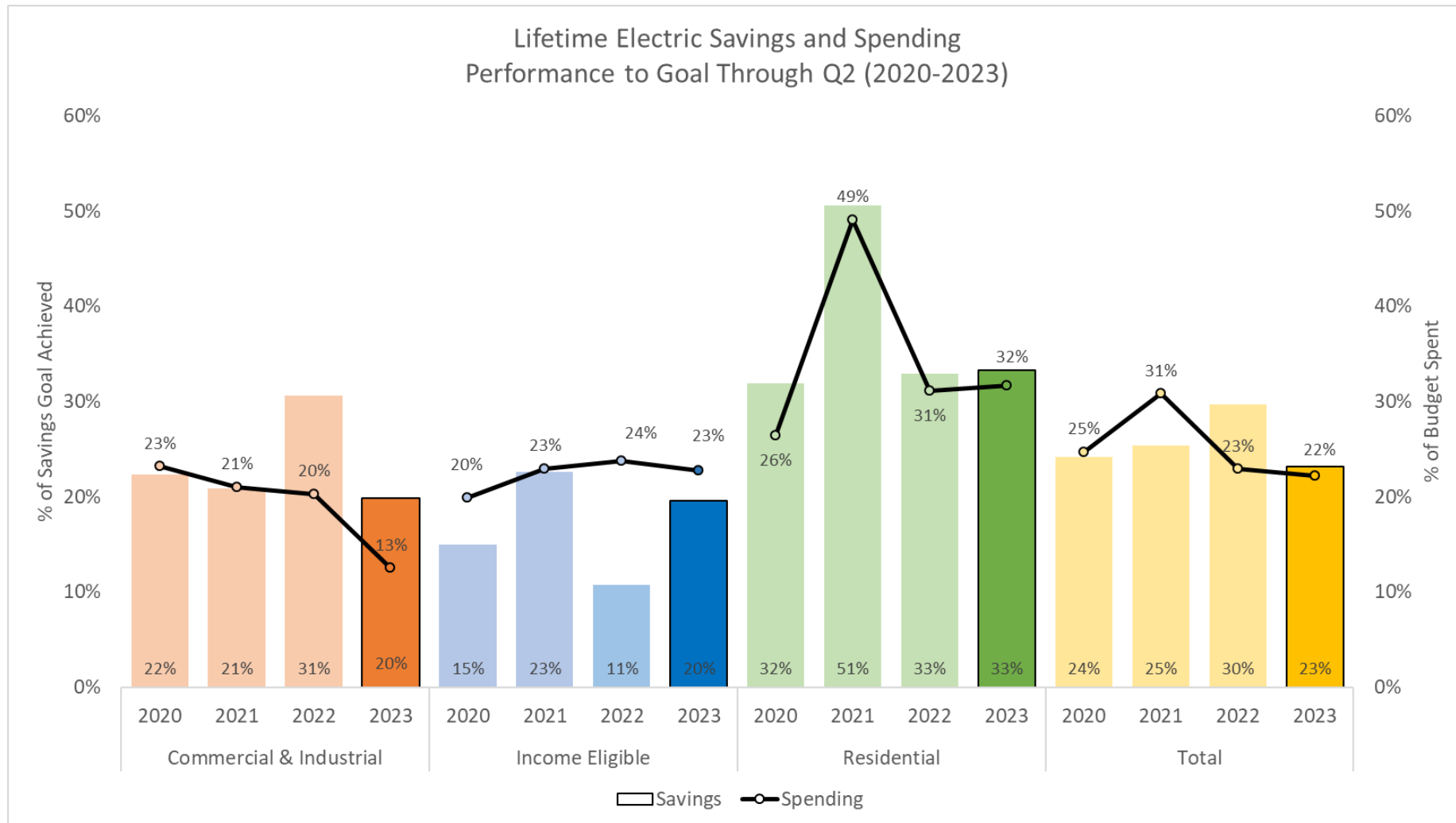


PORTFOLIO PERFORMANCE



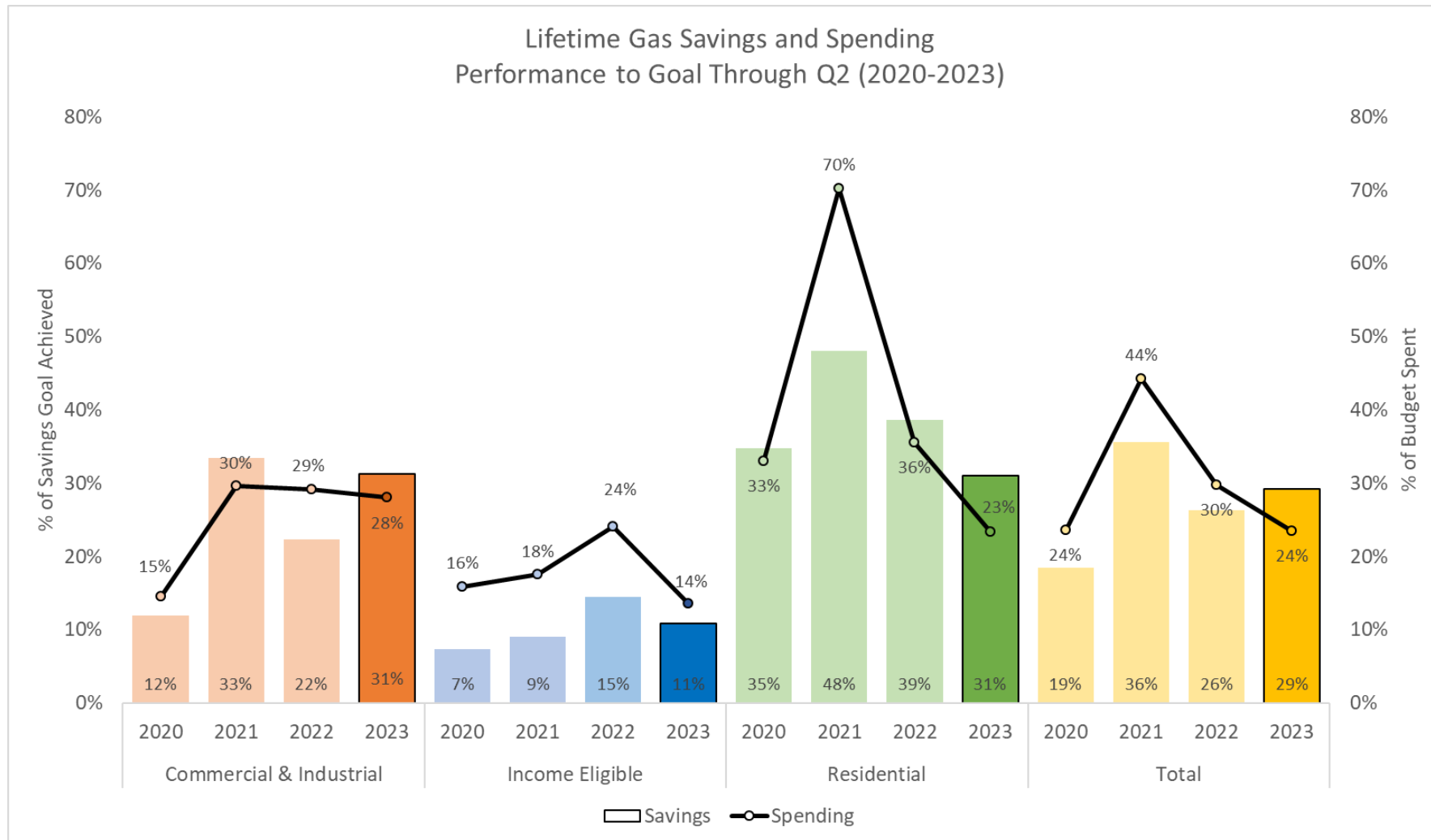


Electric Performance





Gas Performance





COMMERCIAL & INDUSTRIAL SECTOR HIGHLIGHTS





Share of Planned Portfolio Savings

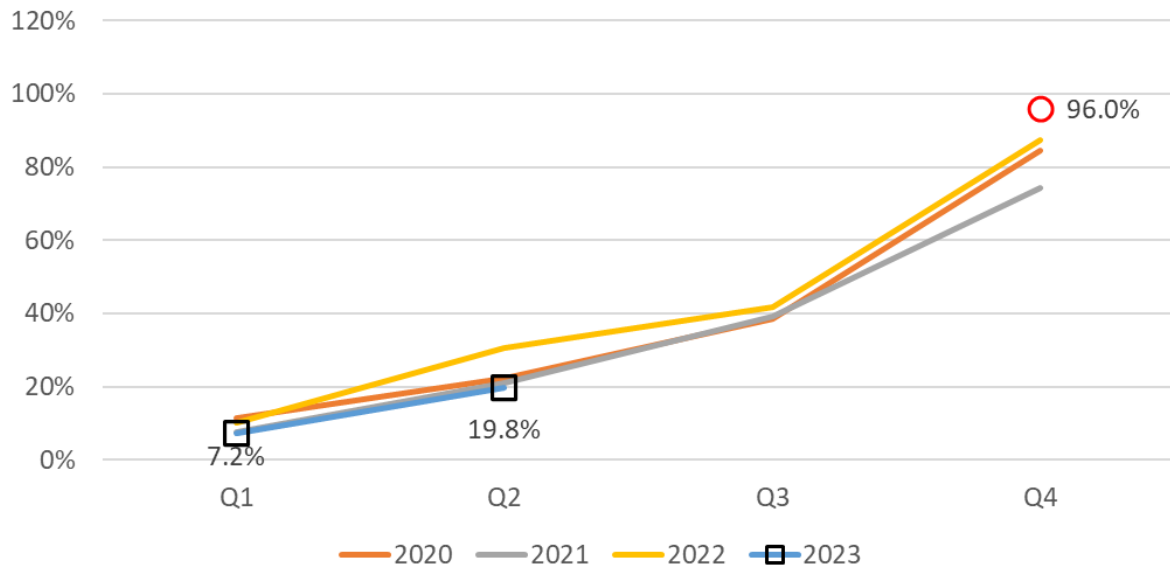
69%

Electric C&I Performance

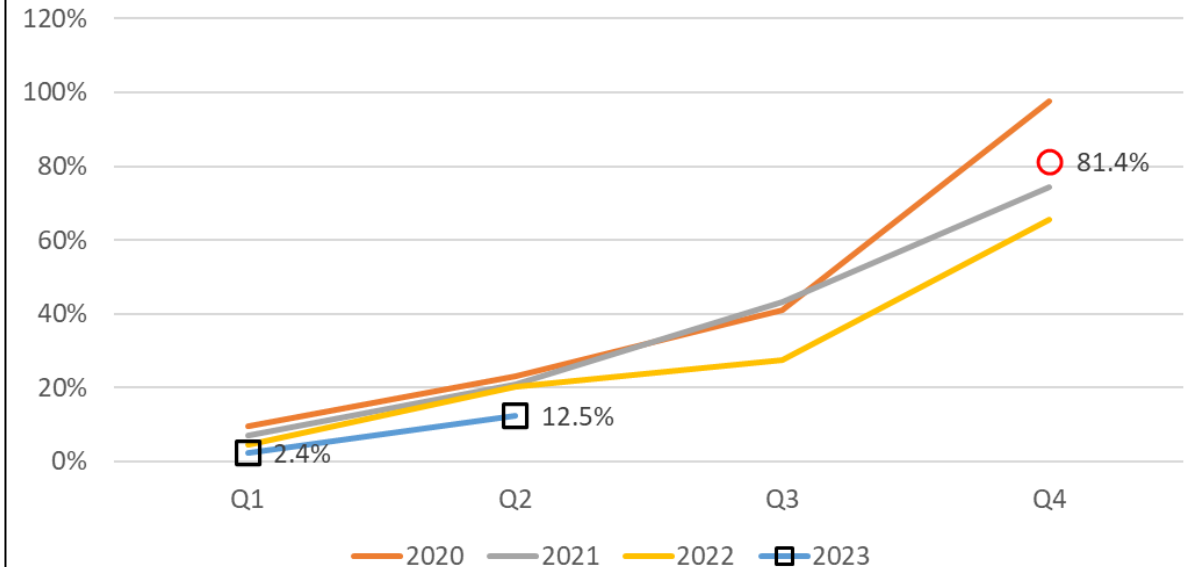
Key Takeaway

Lifetime electric savings through Q2 2023 comparable to recent years, but spending is notably lower.

Electric C&I Lifetime Savings
Performance to Goal by Quarter (2020-2023)



Electric C&I Spending
Performance to Goal by Quarter (2020-2023)





Share of Planned Portfolio Savings **37%**

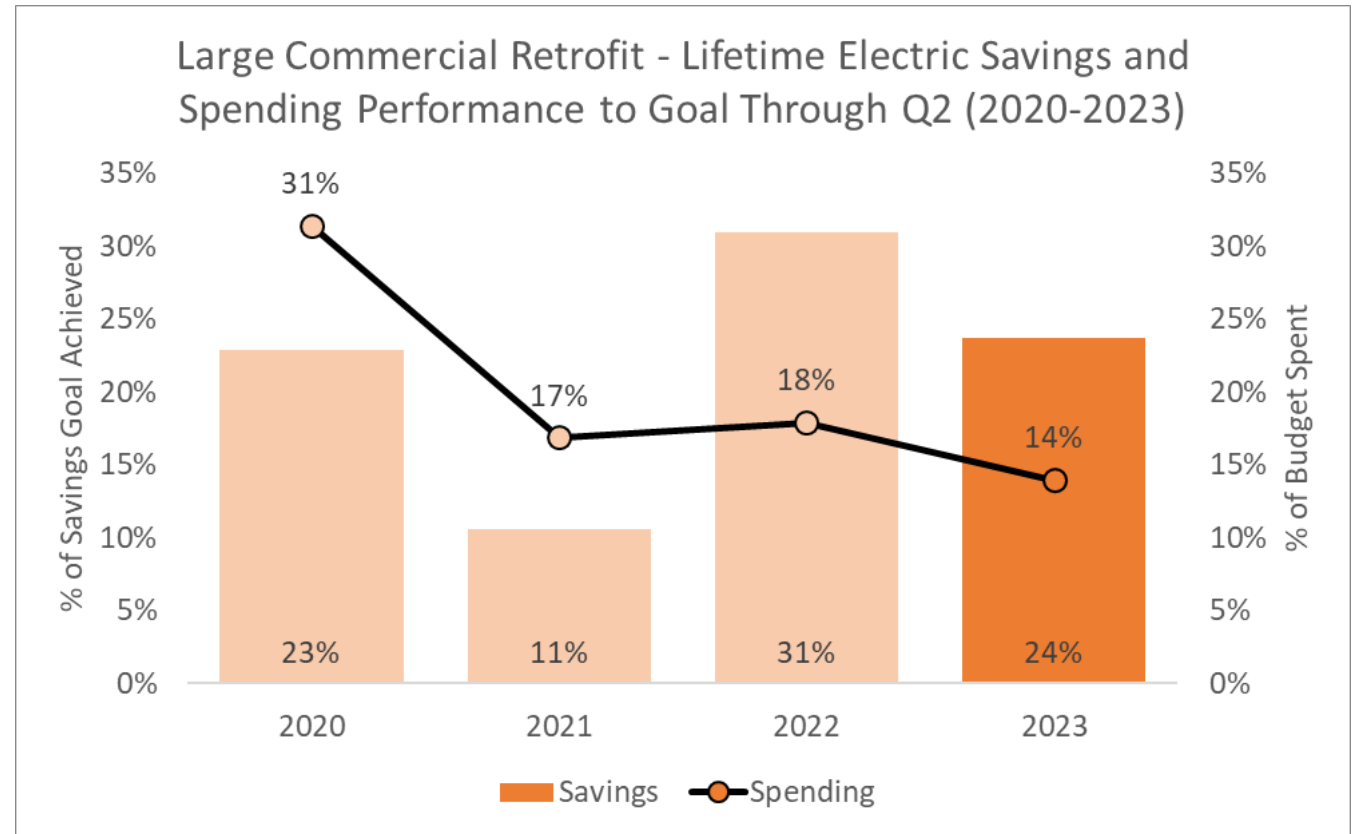
Large C&I Retrofit

Key Takeaway Forecasted lifetime savings: 107%, forecasted spending: 69%

Diminishing prevalence of lighting retrofits due to market saturation

Challenges with Building Analytics Program, but lessons learned from early experiences

The Company is moving forward with new data collection tools and considering alternative vendor compensation models





Share of Planned Portfolio Savings **24%**

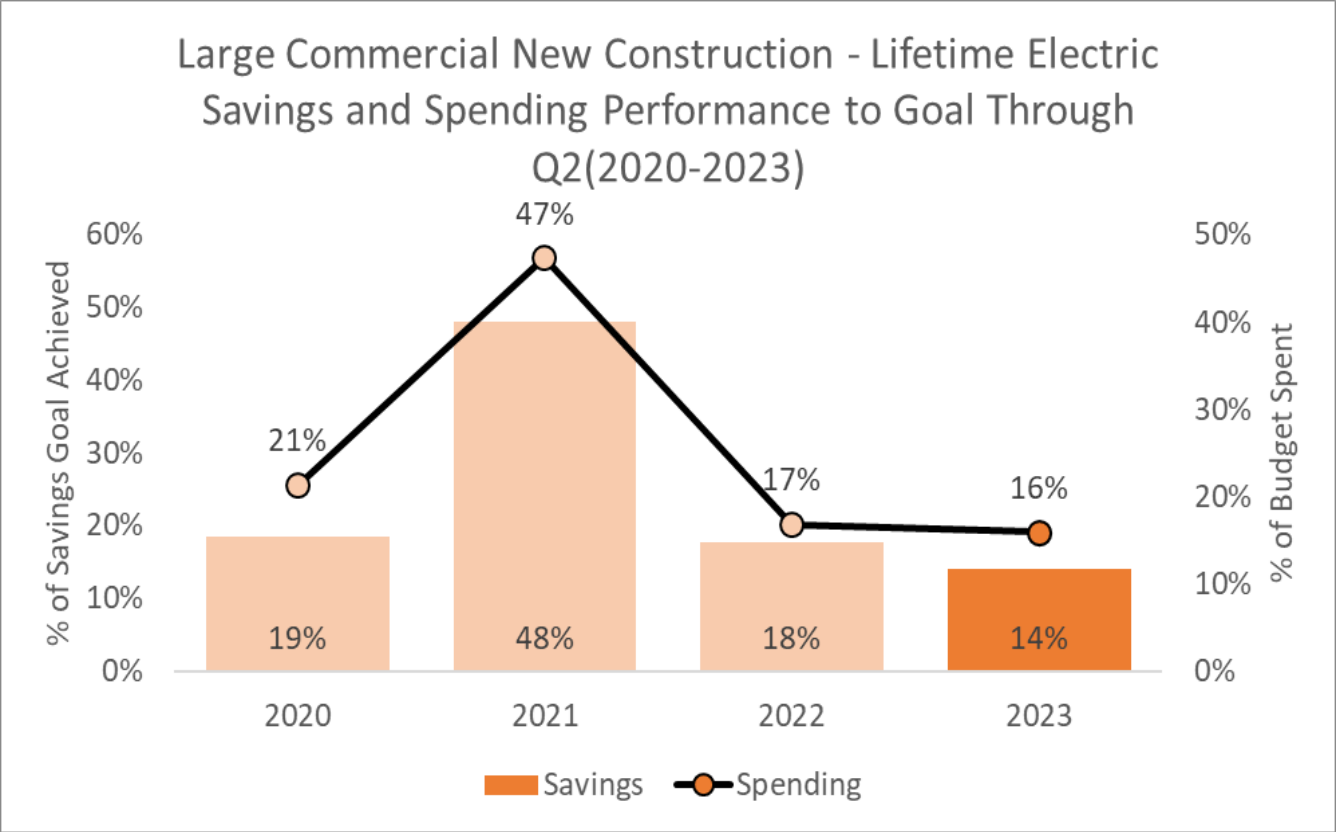
C&I New Construction

Key Takeaway Forecasted lifetime savings: 70%, forecasted spending: 66%

Savings from most upstream measures are attributed to electric Retrofit or gas New Construction

Streamlined Pathways have encouraging early impacts, but further improvements required

Building energy code updates will impact New Construction





Share of Planned Portfolio Savings **9%**

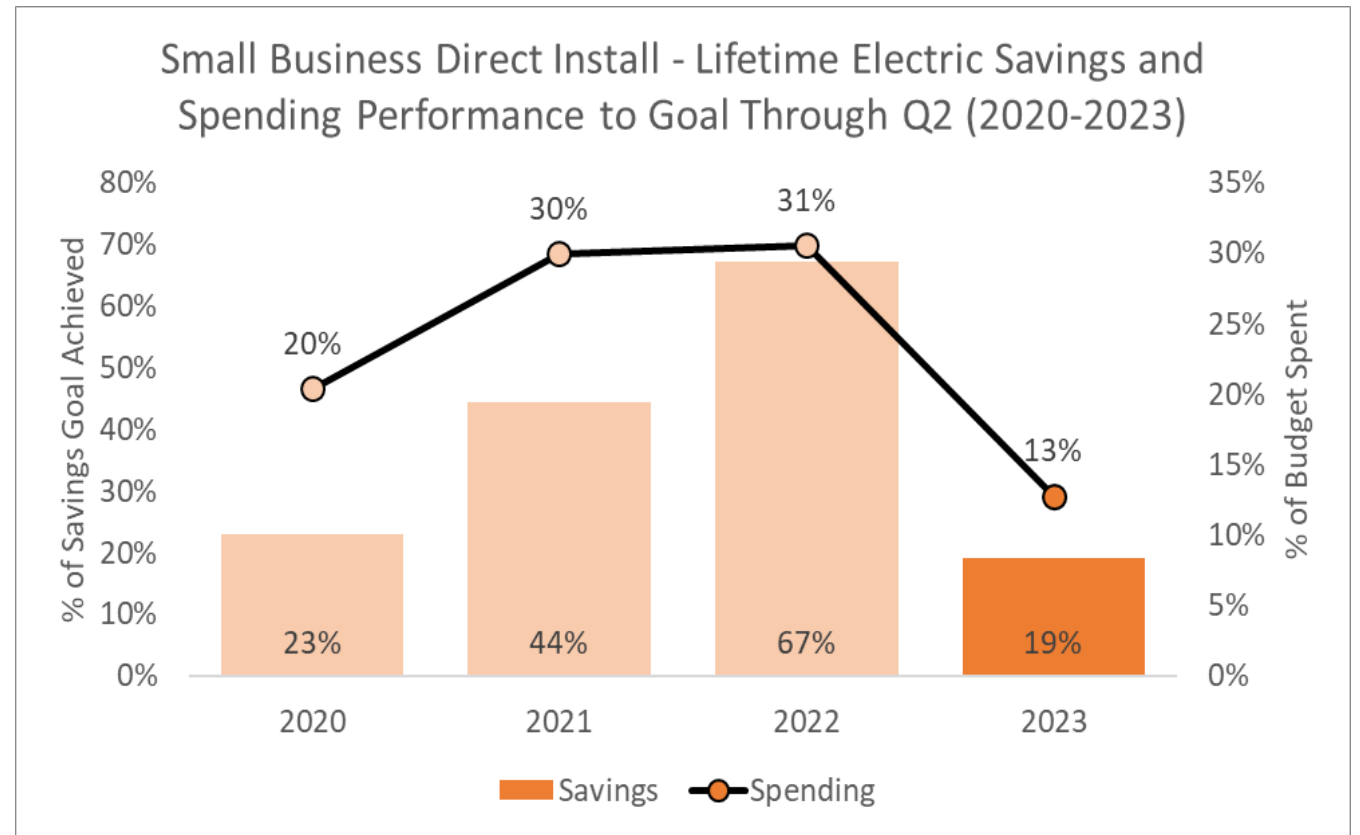
Small Business Direct Install

Key Takeaway Forecasted lifetime savings: 120%, forecasted spending: 115%

Two “Main Street” efforts conducted through Q2, with one more planned for 2023

Again, diminishing prevalence of lighting retrofits due to market saturation

Fewer lighting controls projects have come through the pipeline





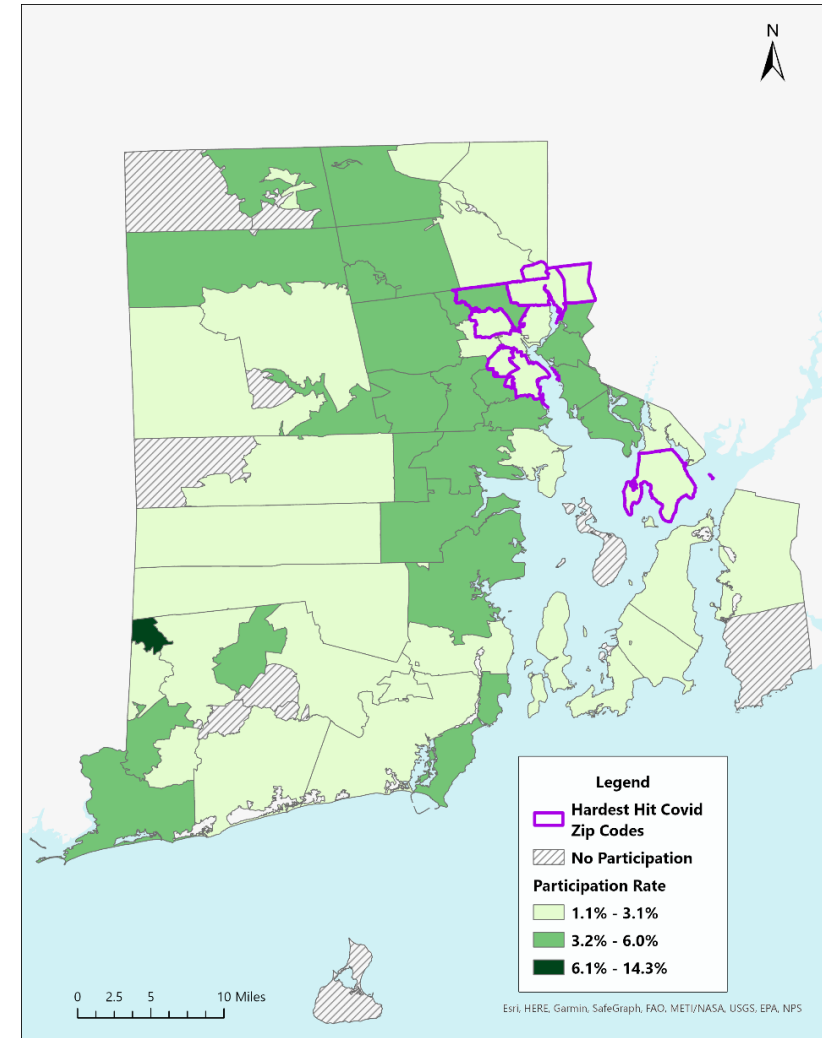
Geotargeted Program Implementation

Visual 2022 Small Business Participation by Zip Code

2022 Participation rates ranged from 1.1% to 14.3%, aside from zip codes with 0% participation

Eight “hard-hit” COVID zip codes were identified by the RI Dept. of Health and Prioritized in the 2022 EE Plan

Some of these zip codes include areas being targeted for Main Street efforts in 2023





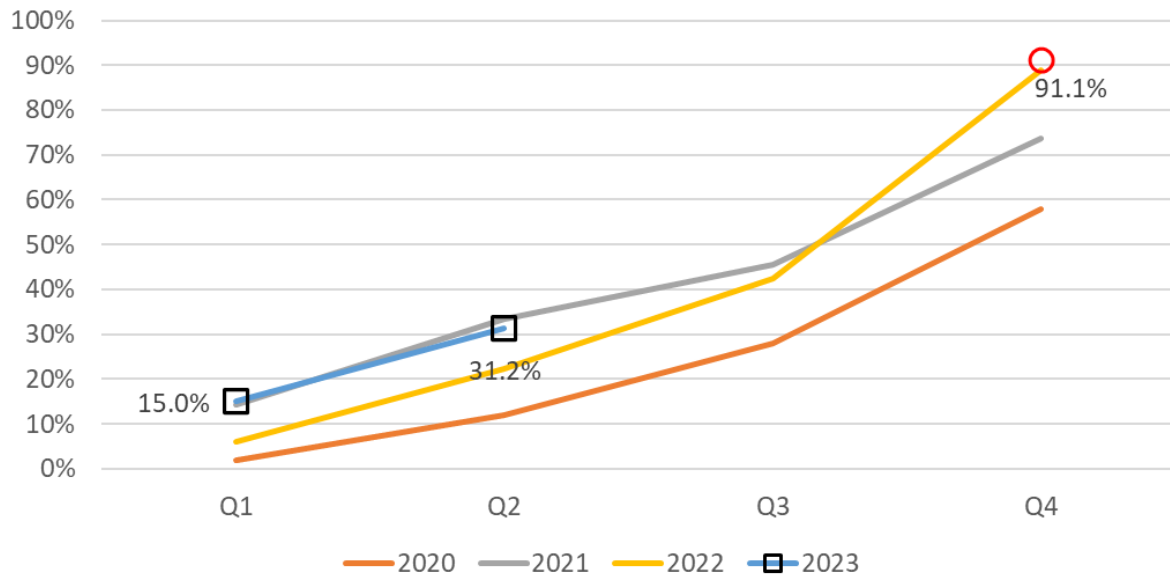
Share of Planned Portfolio Savings

48%

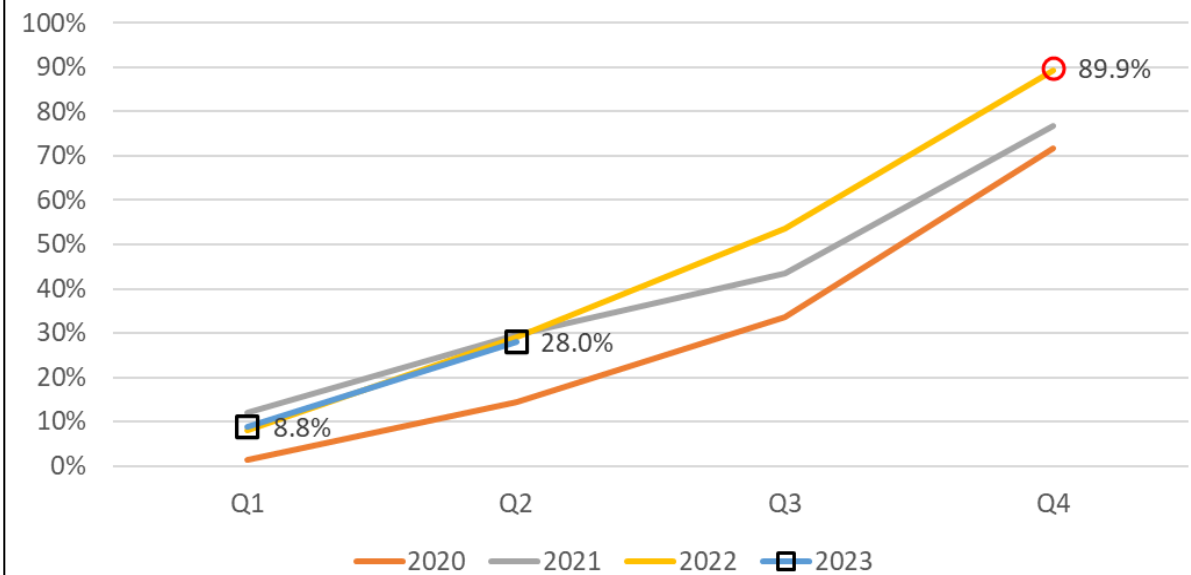
Gas C&I Performance

Key Takeaway Strong performance through Q2 driven by upstream gas equipment

Gas C&I Lifetime Savings
Performance to Goal by Quarter (2020-2023)



Gas C&I Spending
Performance to Goal by Quarter (2020-2023)

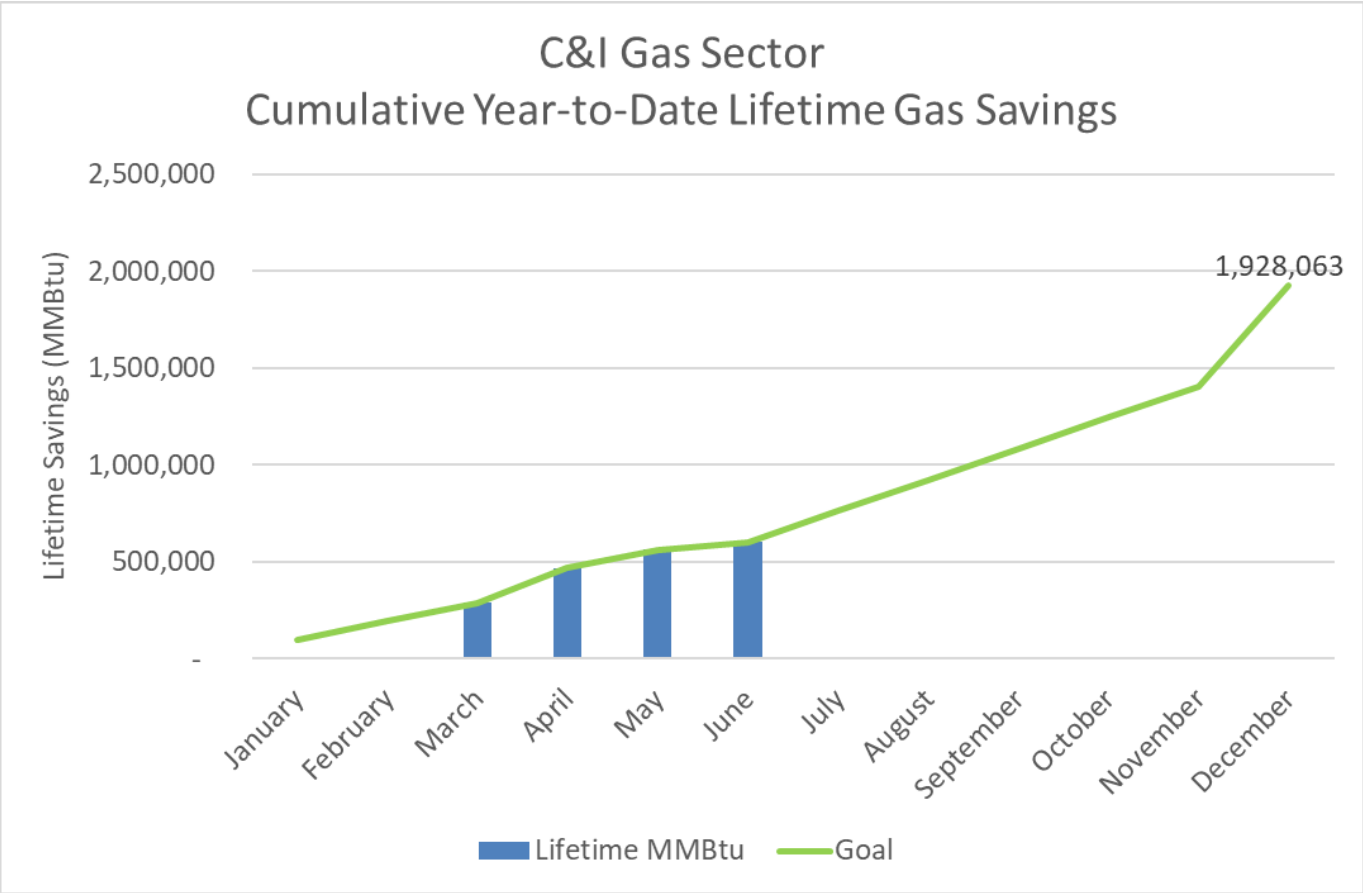




Share of Planned Portfolio Savings **48%**

Gas C&I Performance

Key Takeaway “Hockey stick” not as steep due to strong Q2 performance





Share of Planned Portfolio Savings **48%**

Top Saving Gas Projects

Key Takeaway Gas equipment included in top saving projects are delivered through New Construction (upstream), but HVAC controls and weatherization still producing significant savings

Gas	Month	End Use	Measure Description	Incentive Amount (\$)	Lifetime Savings (MMBtu)	Cost to Achieve (\$/MMBtu)
Large Commercial Retrofit	3	Hot Water	Tank Insulation	\$88,200	56,126	\$1.57
Large Commercial Retrofit	5	HVAC	HVAC Controls and EMS	\$17,773	8,917	\$1.99
Large Commercial Retrofit	2	HVAC	HVAC Controls and EMS	\$5,531	8,325	\$0.66
Large Commercial Retrofit	3	HVAC	HVAC Controls and EMS	\$10,400	7,964	\$1.31
Small Business Direct Install	3	Envelope	Roof/Wall/Floor/Basement/building other Insulation	\$60,546	6,062	\$9.99
Large Commercial Retrofit	5	HVAC	Other Gas - Seasonal	\$7,960	5,890	\$1.35
Large Commercial New Construction	4	Food Service	FRYER	\$1,600	4,989	\$0.32
Large Commercial New Construction	5	Food Service	FRYER	\$1,600	4,989	\$0.32
Large Commercial New Construction	3	Food Service	FRYER	\$1,600	4,158	\$0.38
Large Commercial New Construction	3	Food Service	FRYER	\$1,600	4,158	\$0.38
Large Commercial New Construction	5	Food Service	High Efficiency Gas Combination Oven	\$1,400	3,514	\$0.40
Large Commercial New Construction	6	Food Service	High Efficiency Gas Combination Oven	\$1,400	3,514	\$0.40
Large Commercial New Construction	3	Food Service	FRYER	\$1,600	3,326	\$0.48
Large Commercial New Construction	3	Food Service	FRYER	\$1,600	3,326	\$0.48
Large Commercial New Construction	3	Food Service	FRYER	\$1,600	3,326	\$0.48



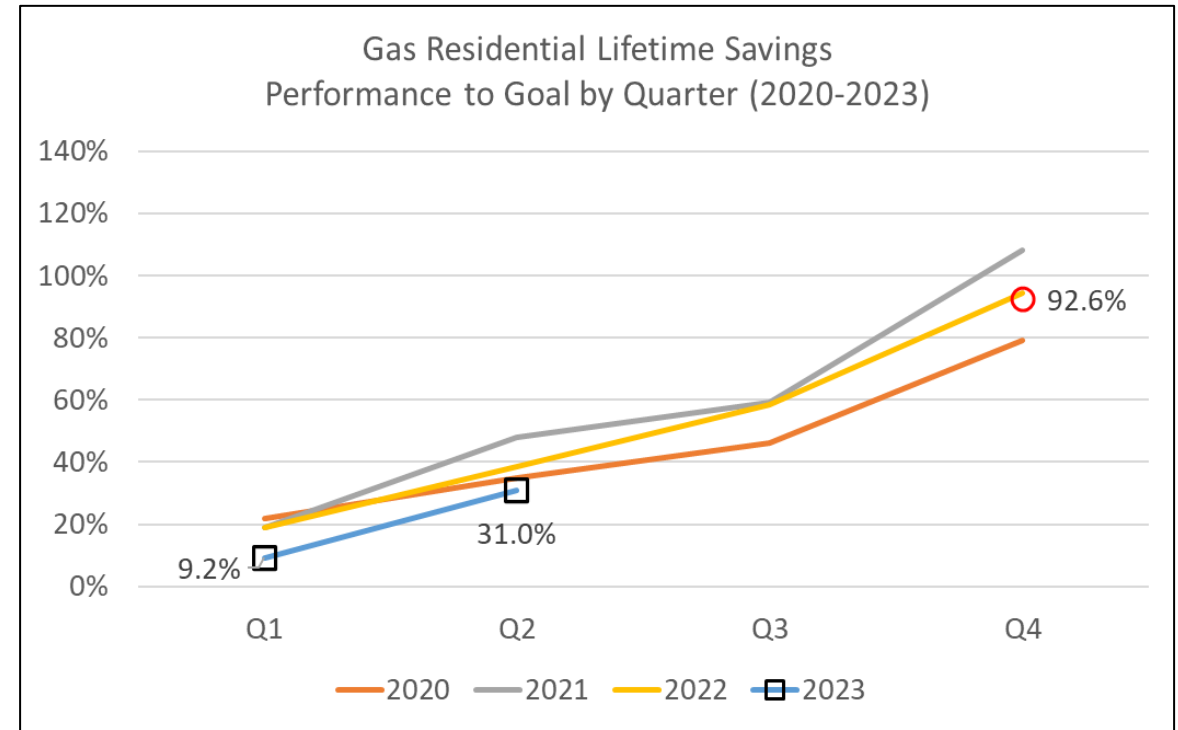
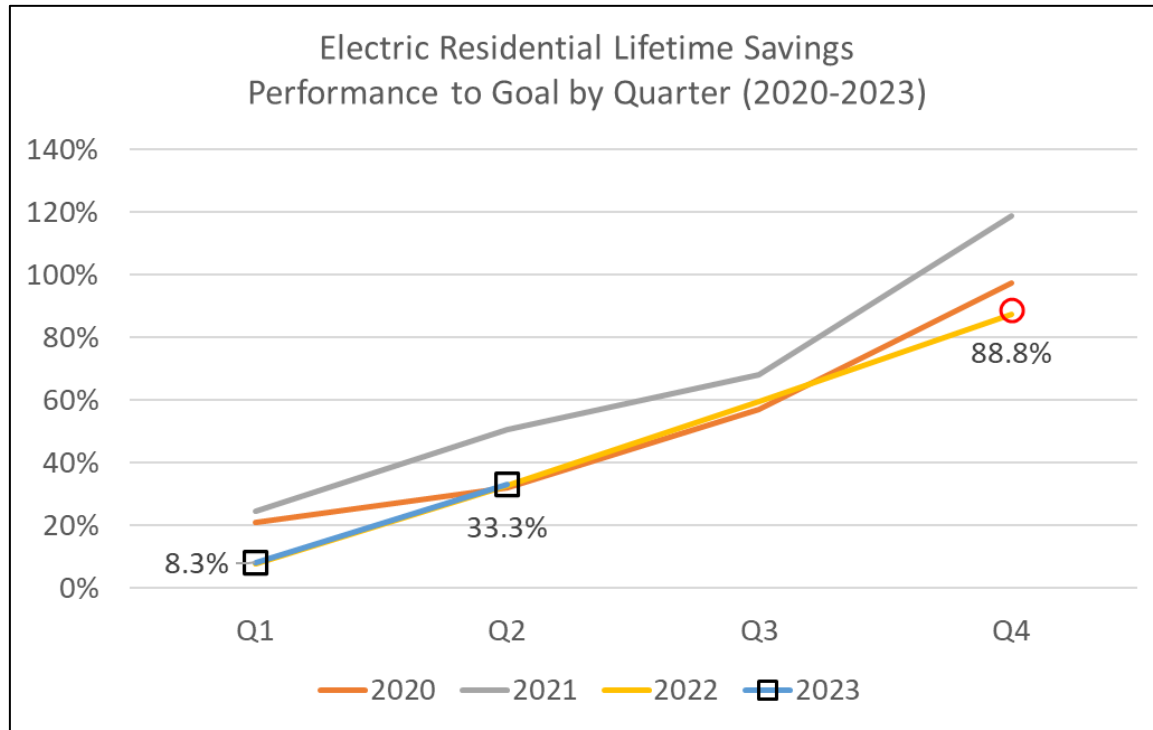
RESIDENTIAL & INCOME ELIGIBLE SECTOR HIGHLIGHTS





Residential Sector Summary and Year-End Forecast

Key Takeaway Both electric and gas portfolios are about level with 2022 goal achievement, with similar expected year-end forecasts

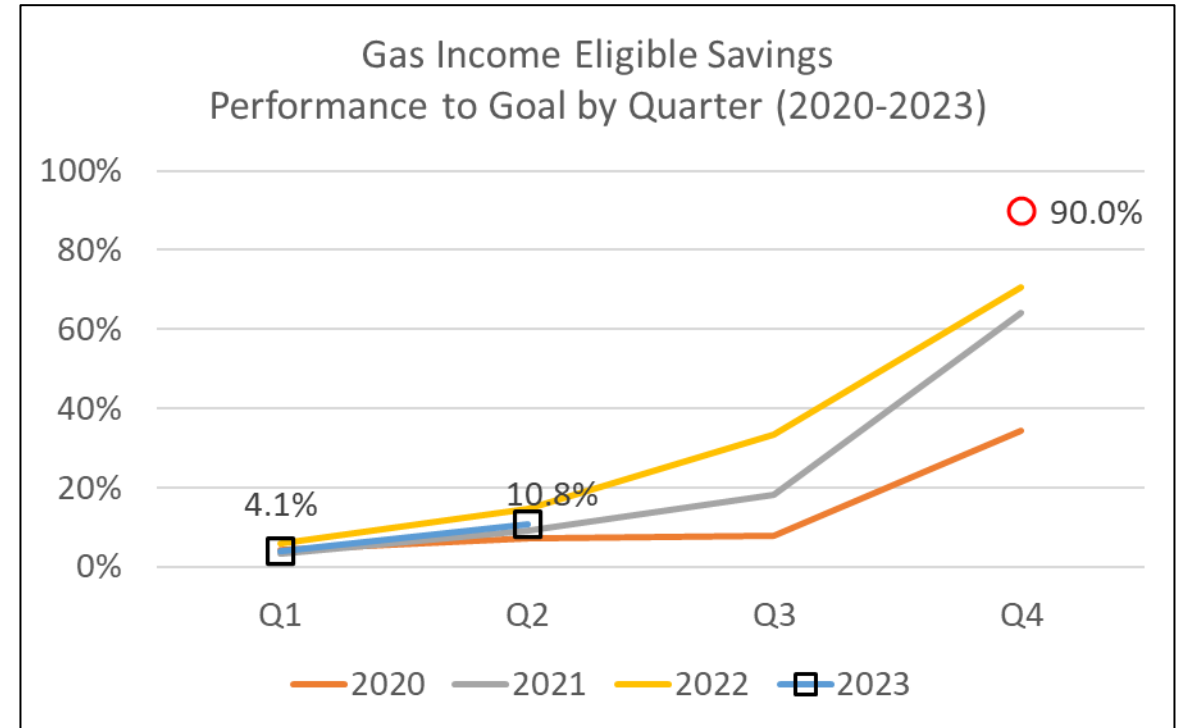
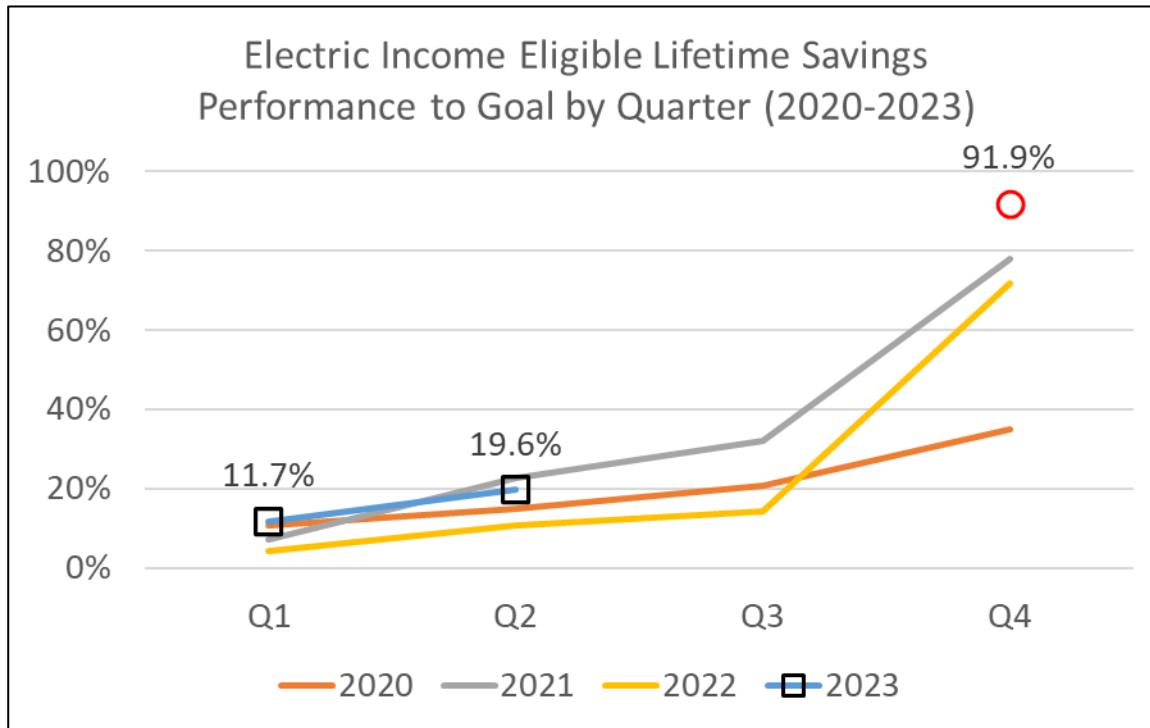




Income Eligible Sector Summary and Year-End Forecast

Key Takeaway

Year-end forecast much higher than past years despite similar levels of goal achievement through Q2 for both electric and gas portfolios





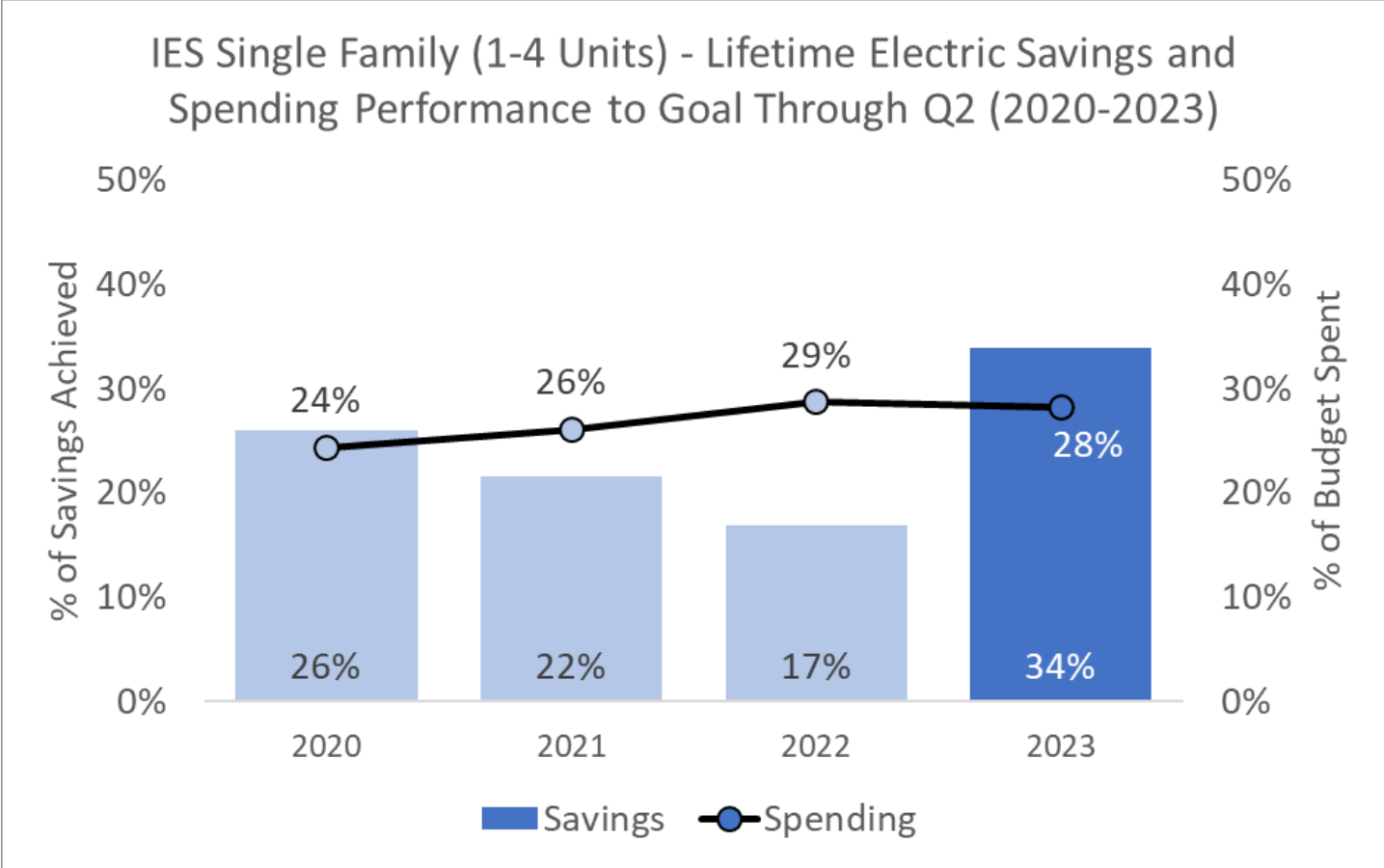
Share of Planned Portfolio Savings **4%**

Income Eligible Single Family

Strong start to the year with Q2 performance tracking further ahead than it has in recent years

Current Year-End Forecast for both Electric and Gas IE Single Family programs at or above 90%

Invoicing was a bit behind at end of Q2 with large influx of projects expected to hit early in Q3





Share of Planned Portfolio Savings **3%**

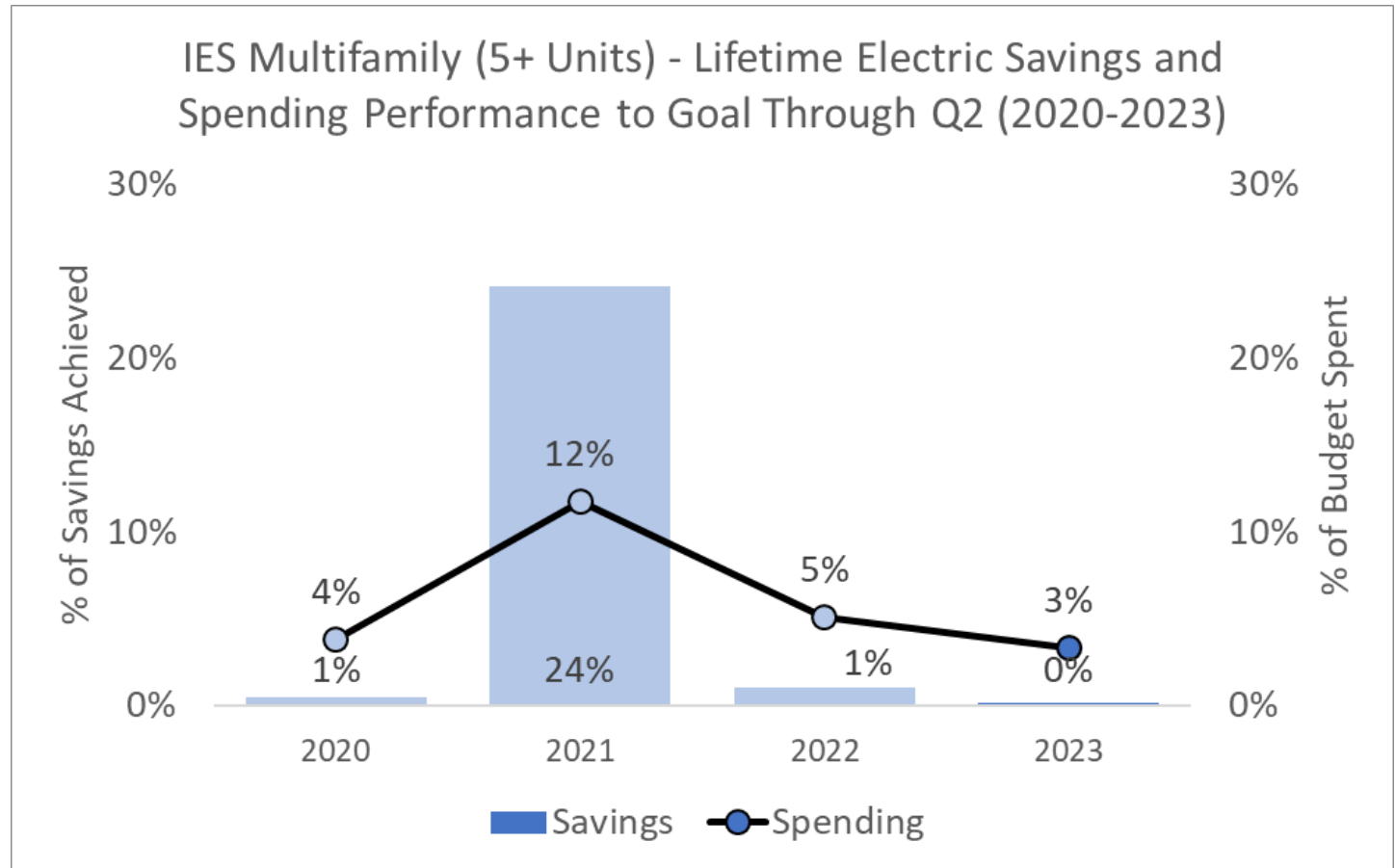
Income Eligible Multifamily

Virtually no claimable activity yet to hit through Q2

Company continues to signal that a strong pipeline exists

Expectation is that spending and savings will come in closer alignment with budget and goals by year end

Year-end savings forecast in the 80-90% of goal range for gas and electric respectively





Share of Planned Portfolio Savings

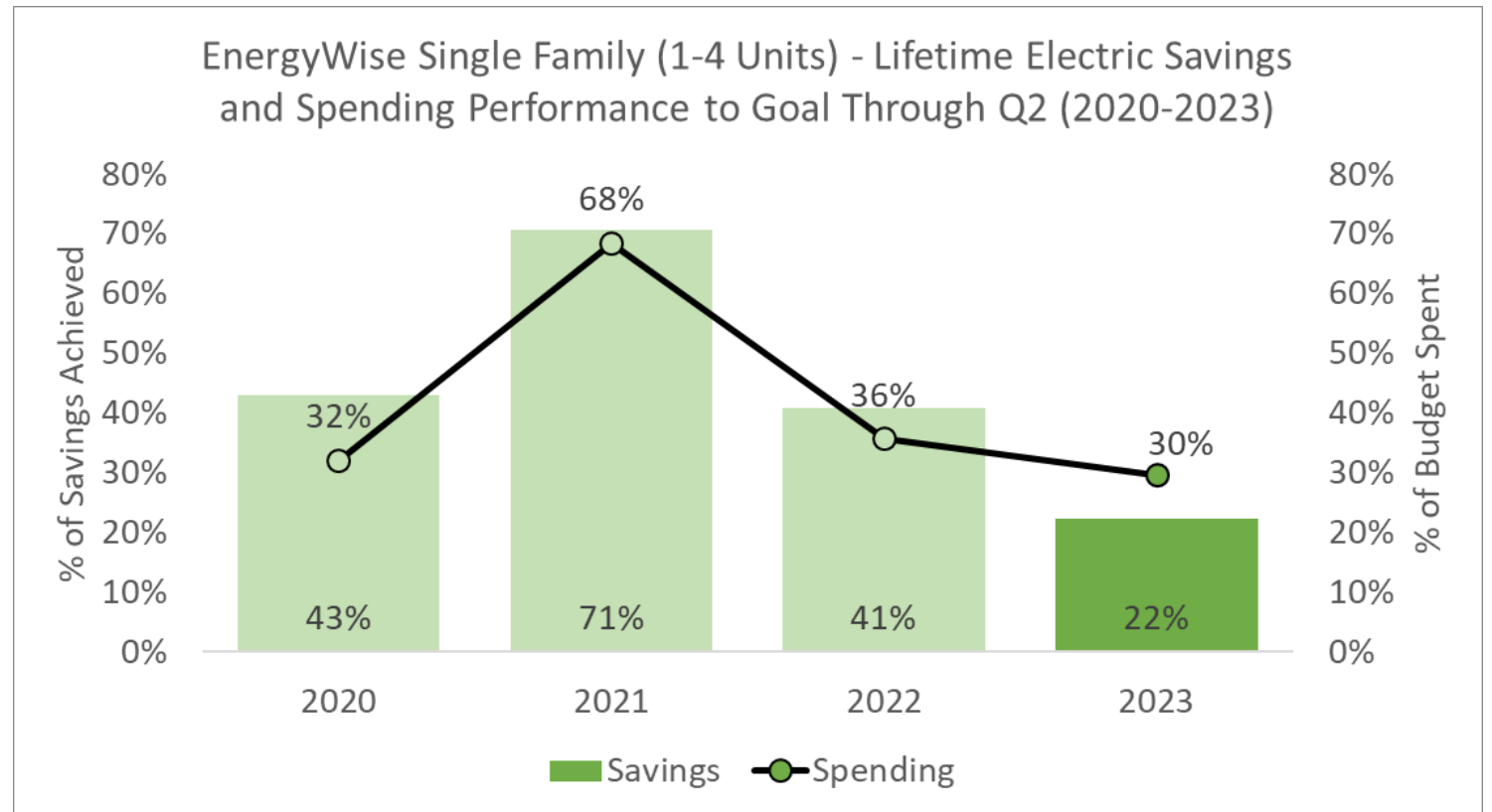
3%

EnergyWise Single Family

Demand for audits continues to be high, but uptake on weatherization is still down compared to past years

Electric program not on track to meet goal, with current year-end savings forecast at 85%

Company efforts to address slow down in weatherization uptake later in presentation





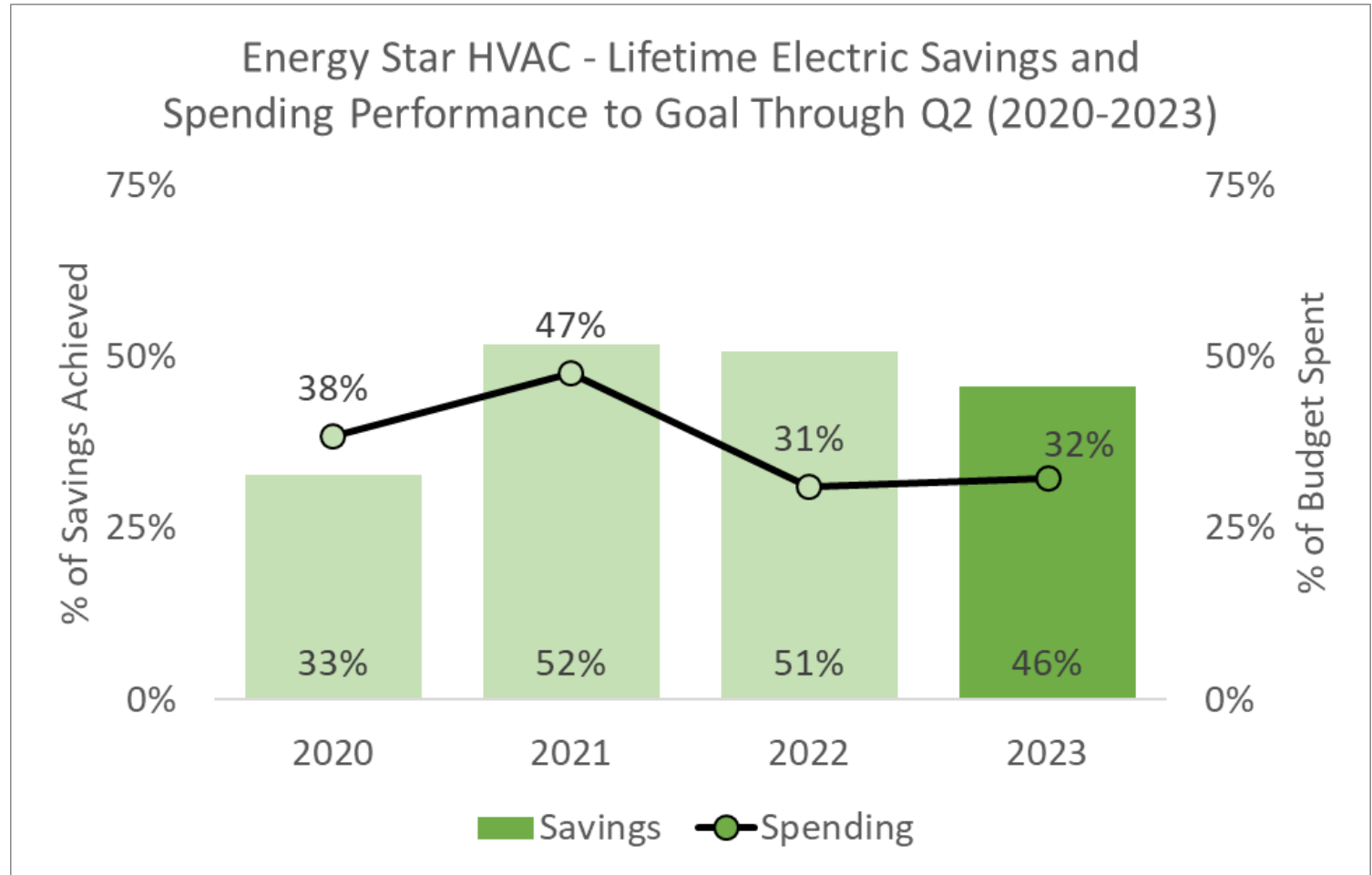
Share of Planned Portfolio Savings **16%**

HVAC & Products

Noted in Q1 that apparent slow start for HVAC and Products program was expected to improve

HVAC has improved and is at a similar level of activity compared to past years

Products continues to lag well behind and is forecasted to come in well below savings goal





RI ENERGY SECTOR HIGHLIGHTS





Residential & Income Eligible Highlights



Residential New Construction

- The pipeline of projects to support in 2023 and 2024 is strong as the RNC program team has enrolled a significant number of new projects in early planning and design into the program, including 873 in 2022, and 381 so far in 2023
- Many of these projects are multifamily affordable housing, and over 200 units are seeking Zero Energy or Passive House certification

Income Eligible Services

- The second quarter IES Best Practice meeting focused on Rhode Island Energy Marketing, a DHS update, YTD Program Delivery Performance, and Equity Teams. Representatives from 6 CAP agencies, DHS, DPUC, EERMC, RIE, and CLEAResult attended.
- Staffing and training continues to be a challenge to IES Program implementation. IES is implementing several approaches to reduce the impact of these barriers, including partnering with DHS to sponsor RIBA's 2023 Residential Construction Weatherization Program class, and working with the Lead Vendor, Westbay CAP, and DHS to transition existing AMP and Weatherization auditors to Whole House auditors.



Residential & Income Eligible Highlights



EnergyWise

- Although the demand for Home Energy Assessments remains solid, the uptake of weatherization projects and electric savings has slowed down. In response:
 - A targeted e-mail campaign focusing on customers who have had Home Energy Assessments but have not moved forward with weatherization projects was implemented in the early part of Q2.
 - A limited time offer of an additional \$200 was made to customers.
 - A 100% incentive for electrically heated homes was developed to be implemented in the early part of Q3. These customers make ideal candidates for upgrades to ASHP when their homes are fully weatherized.

ENERGY STAR HVAC

- Four “Introduction to Heat Pump” trainings were held in partnership with RI Energy’s Residential New Construction and Codes & Standards Programs. These are intended for a broad audience, including builders, contractors, homeowners, architects and building inspectors. They are aimed at raising general awareness of heat pump technology, understanding the importance of sizing, duct design and proper installation, and sharing best practices.



Commercial & Industrial Highlights



Large Commercial Retrofit

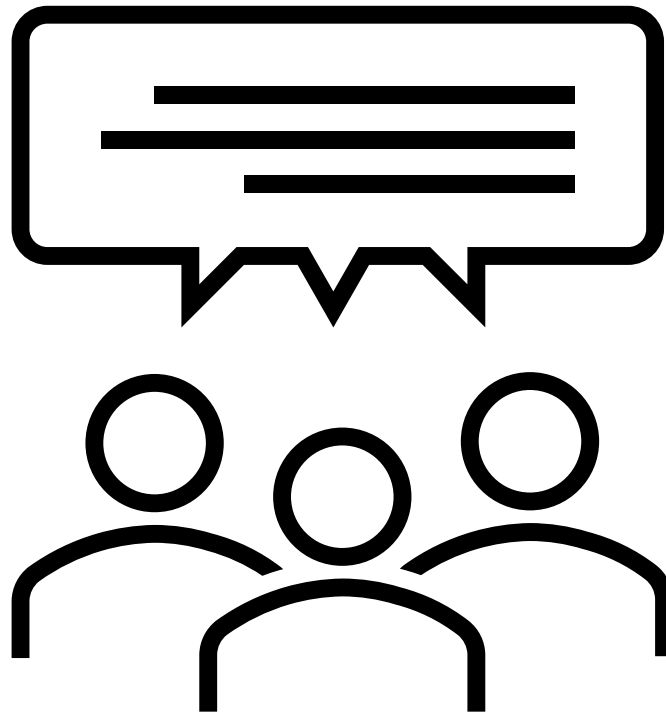
- EnergySmart Grocer: A pair of BMS projects from a national pharmacy chain in Warwick and Cranston were finalized in the second quarter, with more expected in the second half of the year. This pharmacy chain is moving through their entire banner with these BMS upgrades and cumulatively the project yields strong savings.
- Community Solutions: The result of the Q2 efforts on implementing initiatives for underserved communities was 20 new projects delivered under the Main Streets Program in East Providence, which included both minority-owned and women-owned businesses. Overall, the lead vendor developed about 50 opportunities in Q2 with 6 projects already in construction

Small Business Direct Install

- There were 10 gas weatherization projects in Q2 2023 (compared to 4 in Q1), leveraging RGGI funds provided by OER to supplement the SBC funds to enhance customer economics for these projects.



Council Member Discussion





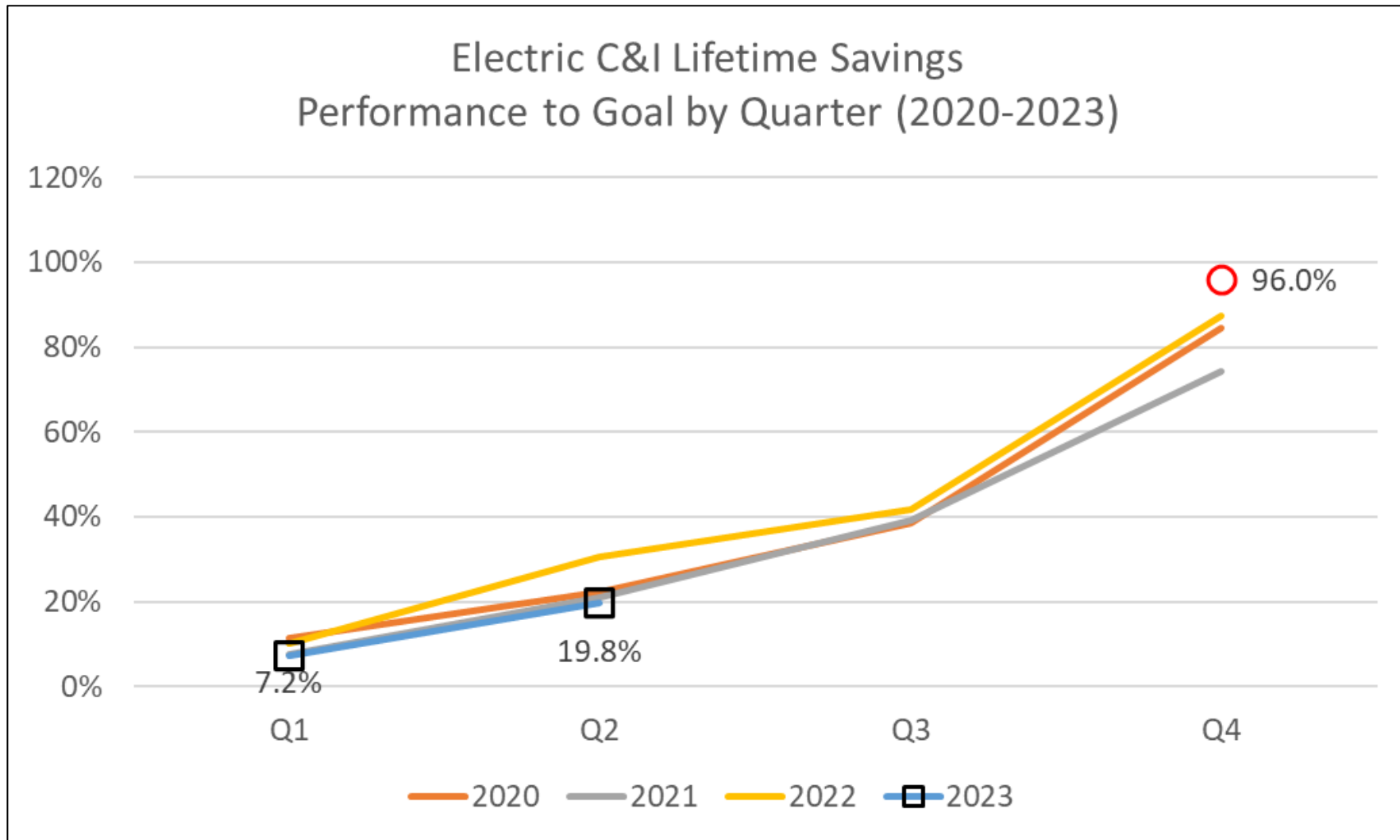
Appendix





Share of Planned Portfolio Savings **69%**

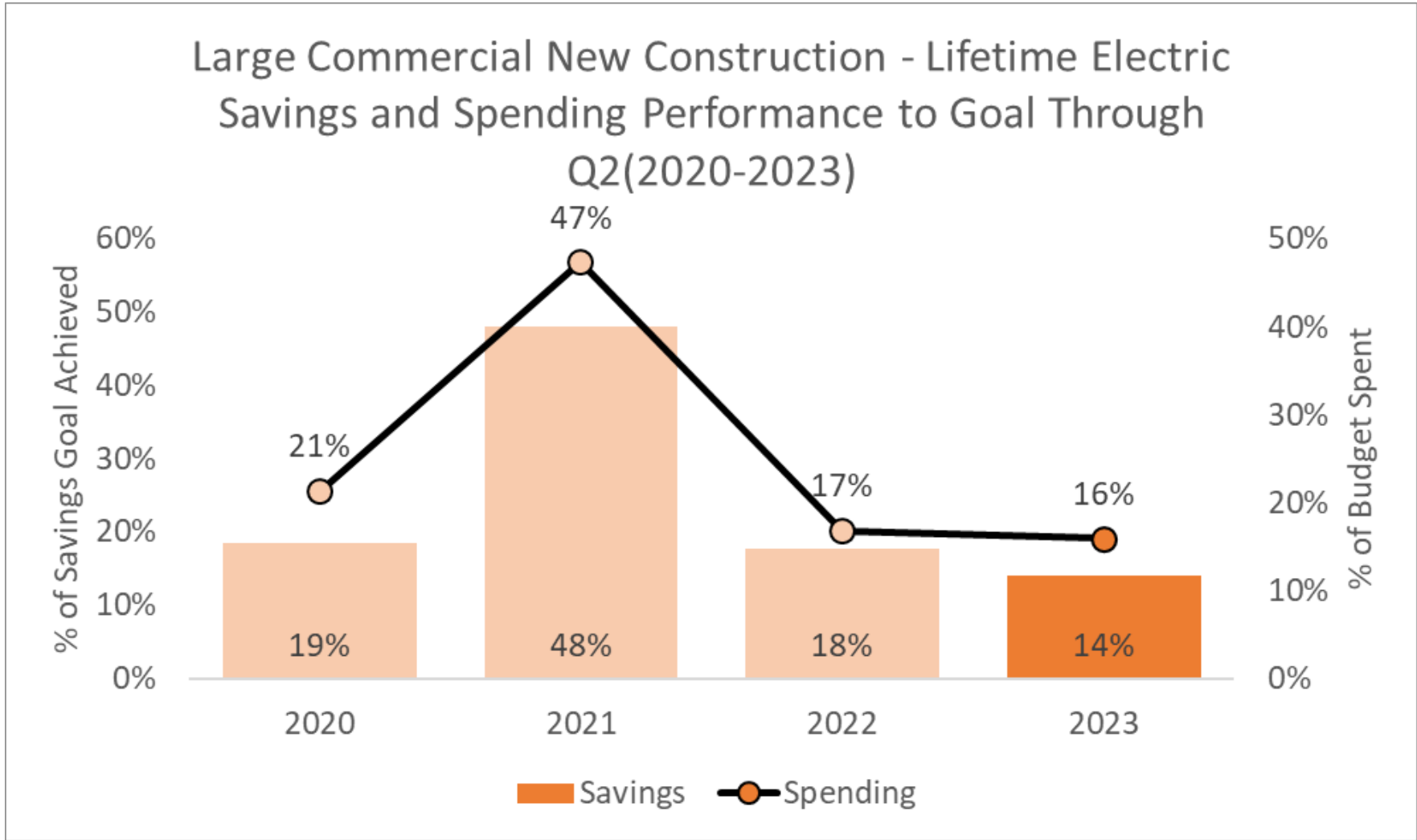
Electric C&I Performance





Share of Planned Portfolio Savings **24%**

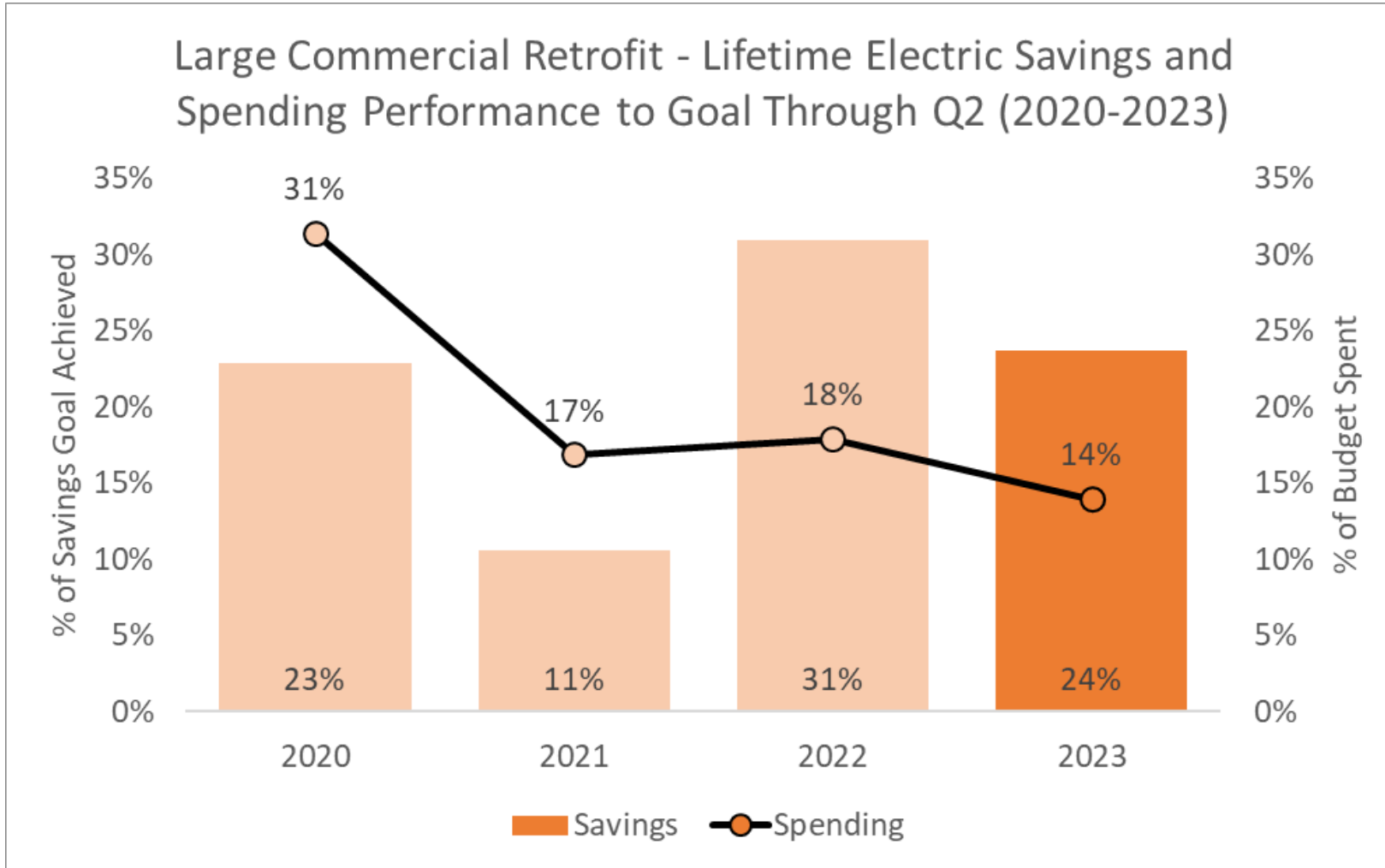
Electric C&I Programs





Share of Planned Portfolio Savings **37%**

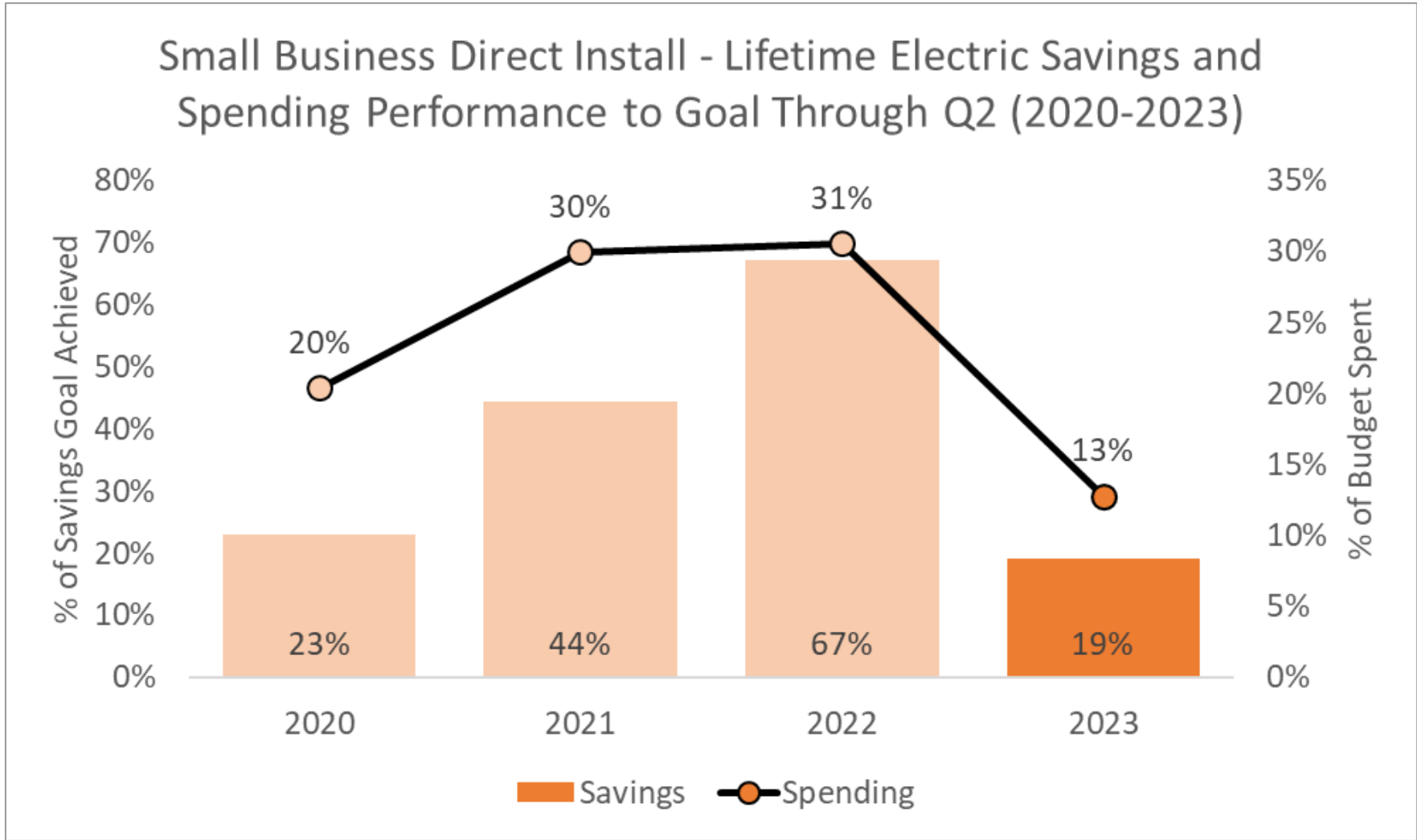
Electric C&I Programs





Share of Planned Portfolio Savings **9%**

Electric C&I Programs

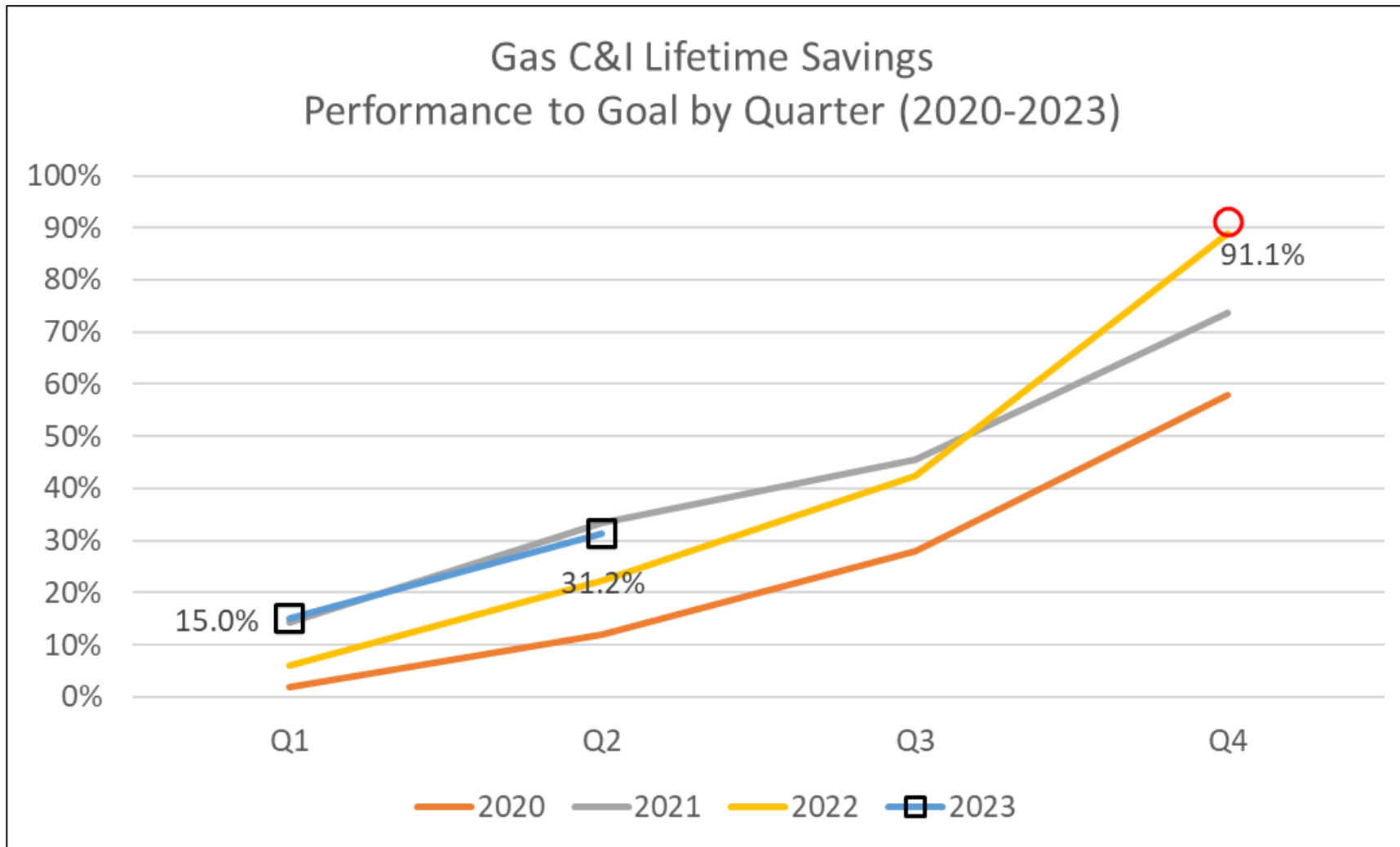




Share of Planned Portfolio Savings

48%

Gas C&I Performance

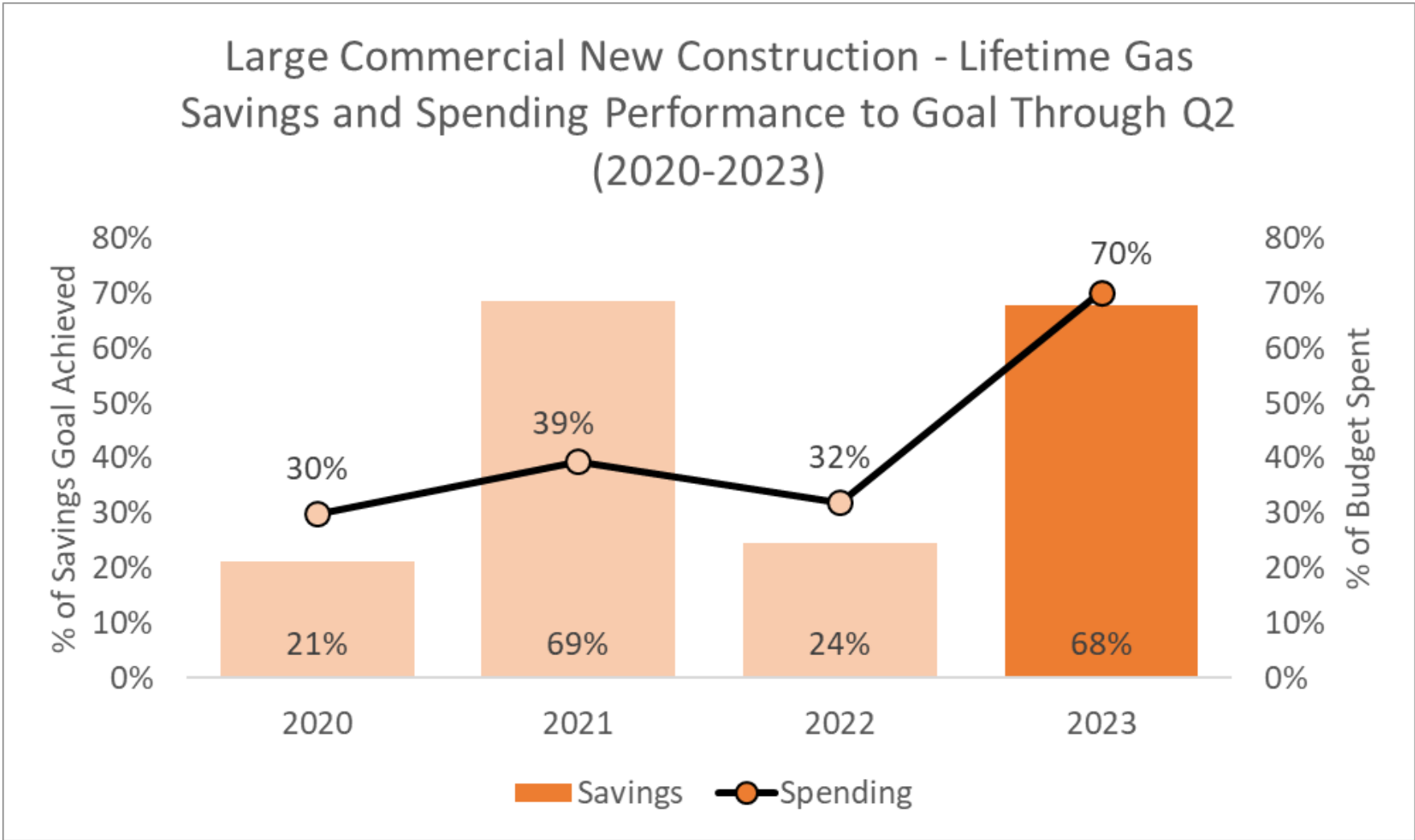




Share of Planned Portfolio Savings **15%**

Gas C&I Programs

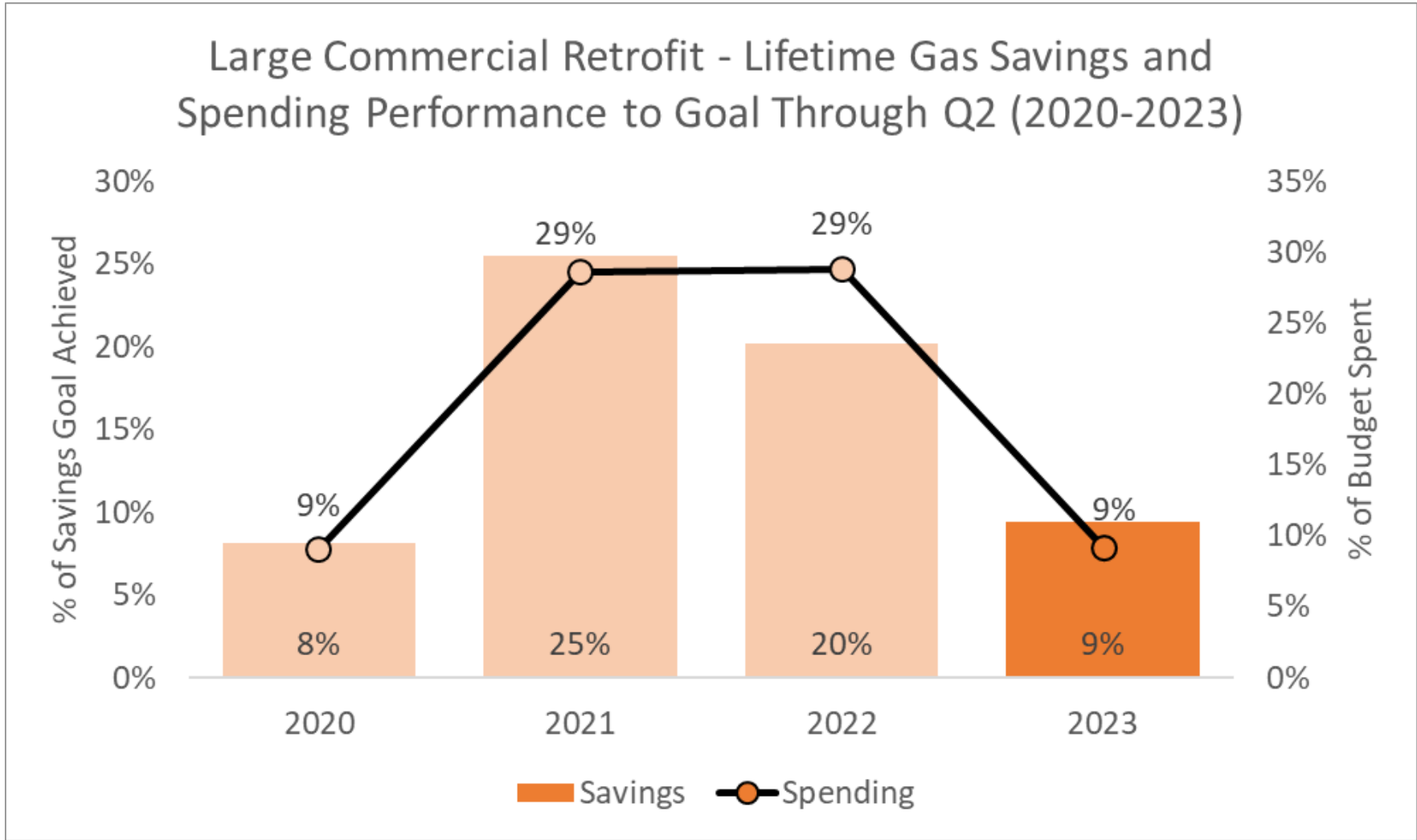
Large Commercial New Construction - Lifetime Gas Savings and Spending Performance to Goal Through Q2 (2020-2023)





Share of Planned Portfolio Savings **29%**

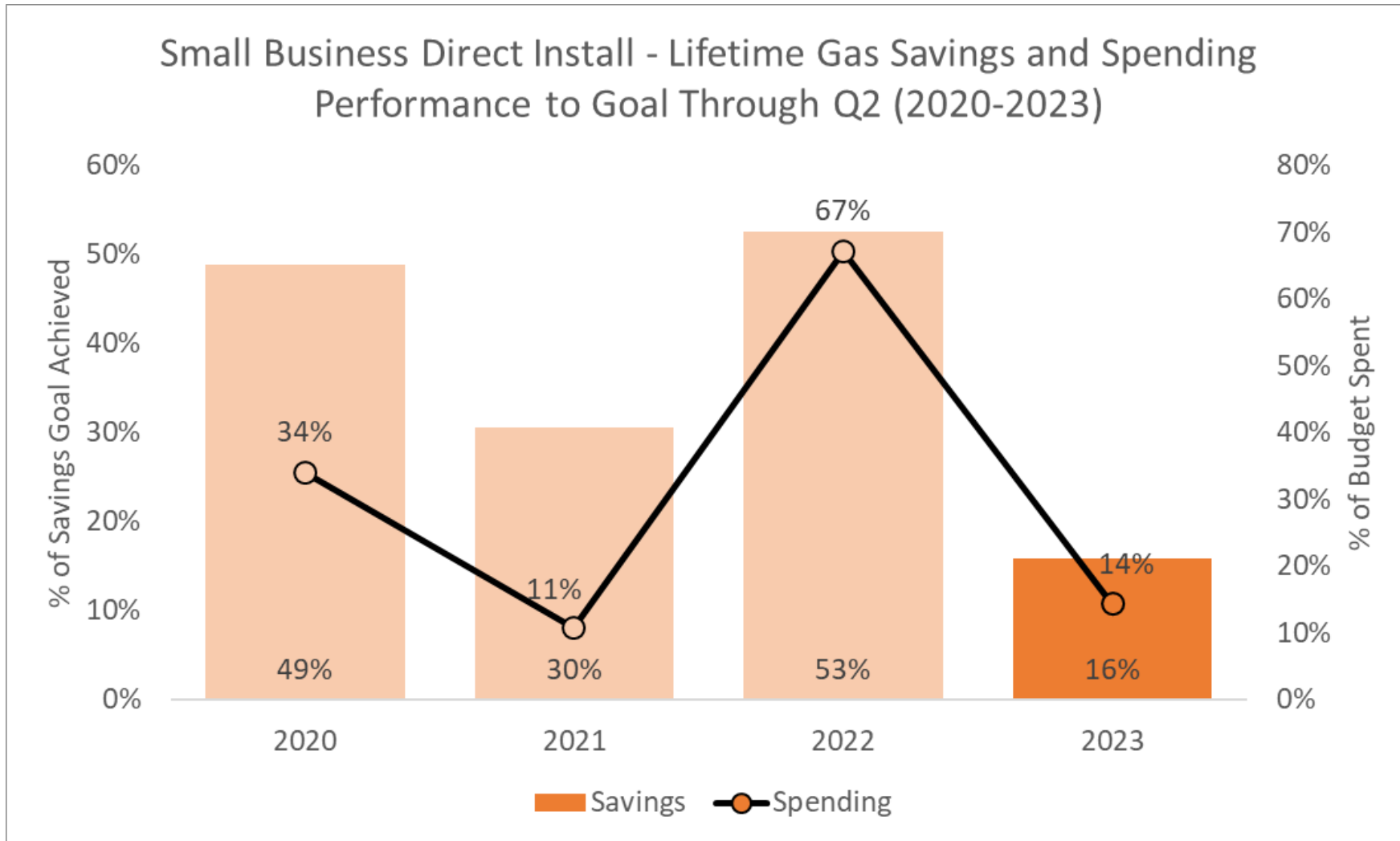
Gas C&I Programs





Share of Planned Portfolio Savings **3%**

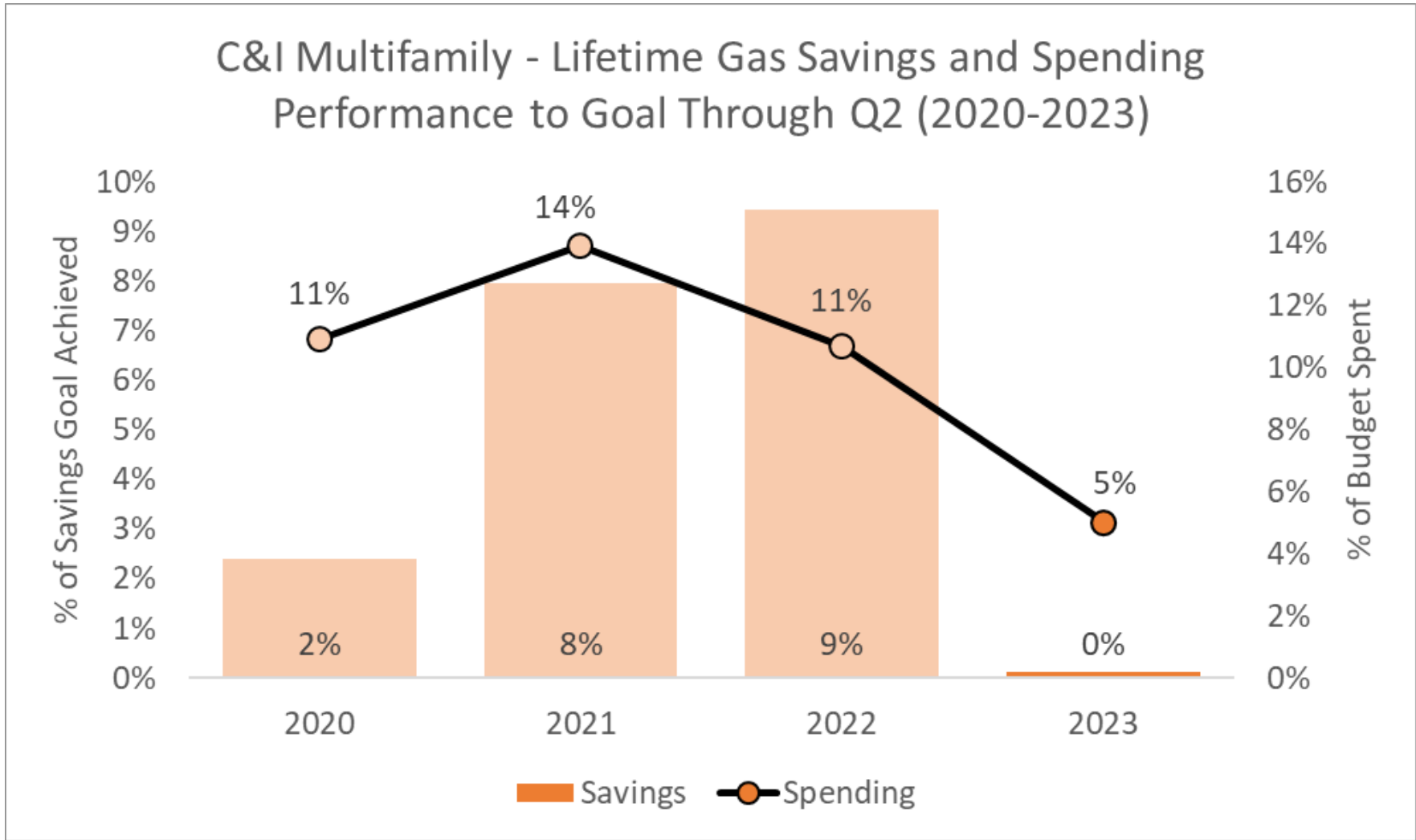
Gas C&I Programs





Share of Planned Portfolio Savings **1%**

Gas C&I Programs

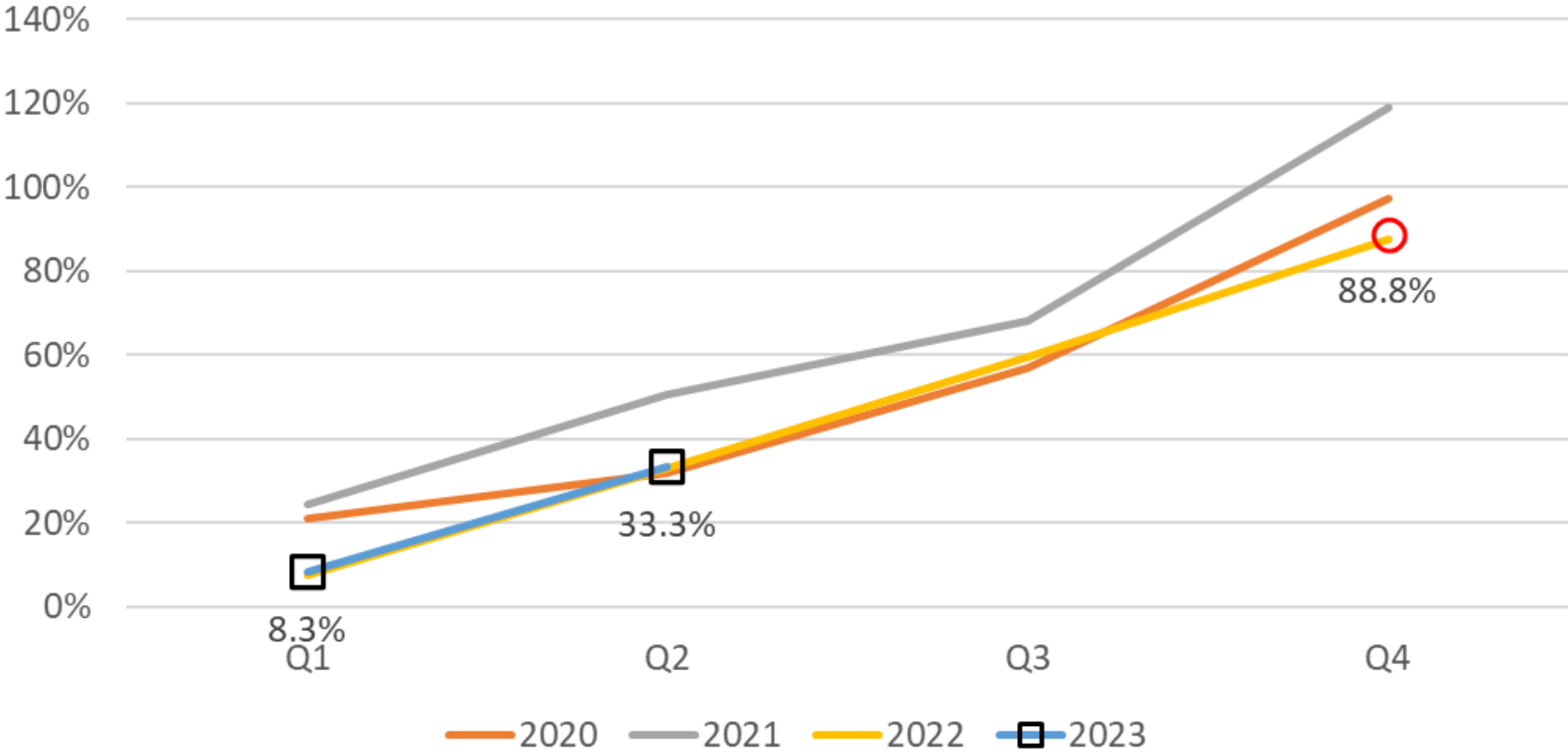




Share of Planned Portfolio Savings **25%**

Electric Res Performance

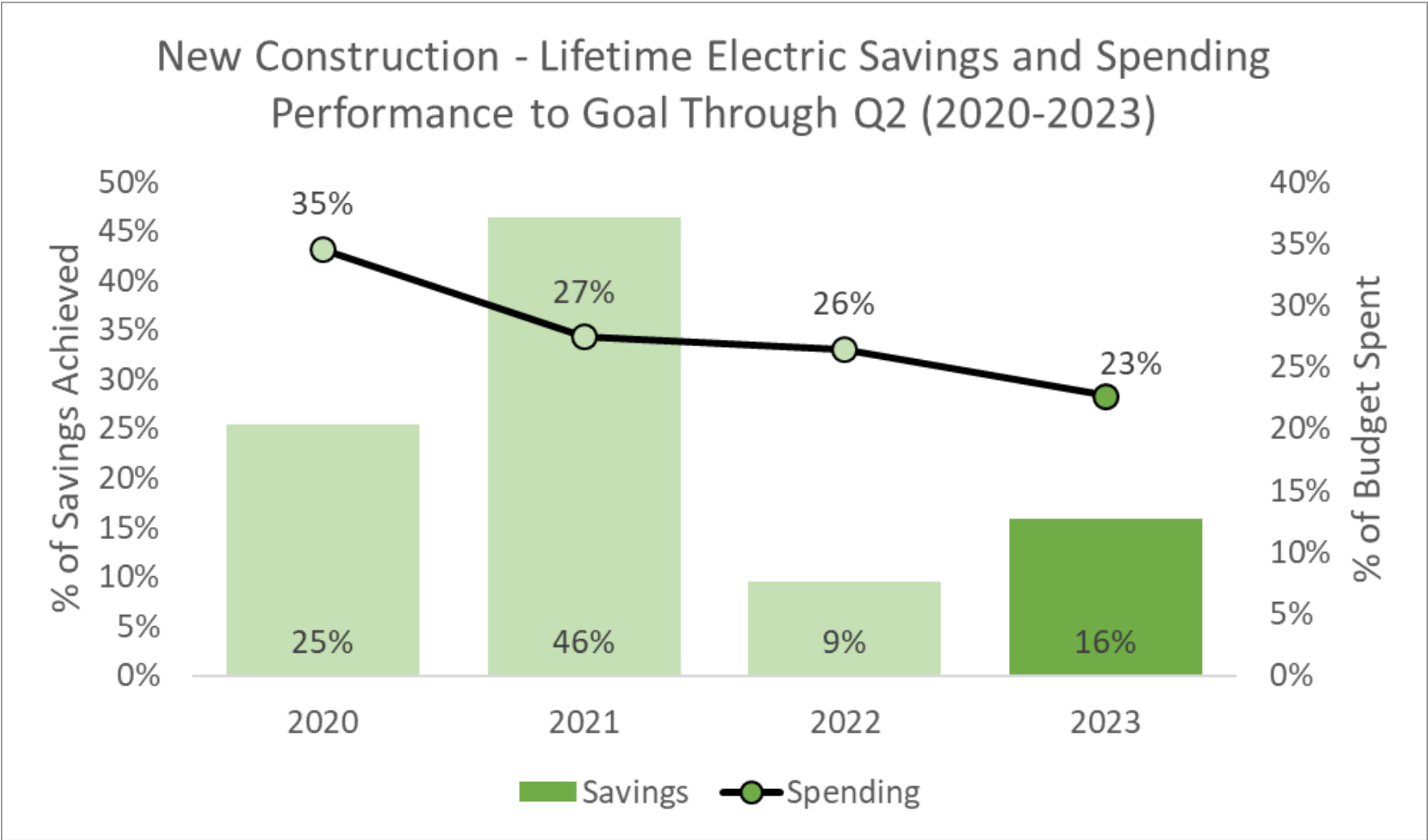
Electric Residential Lifetime Savings Performance to Goal by Quarter (2020-2023)





Share of Planned Portfolio Savings **2%**

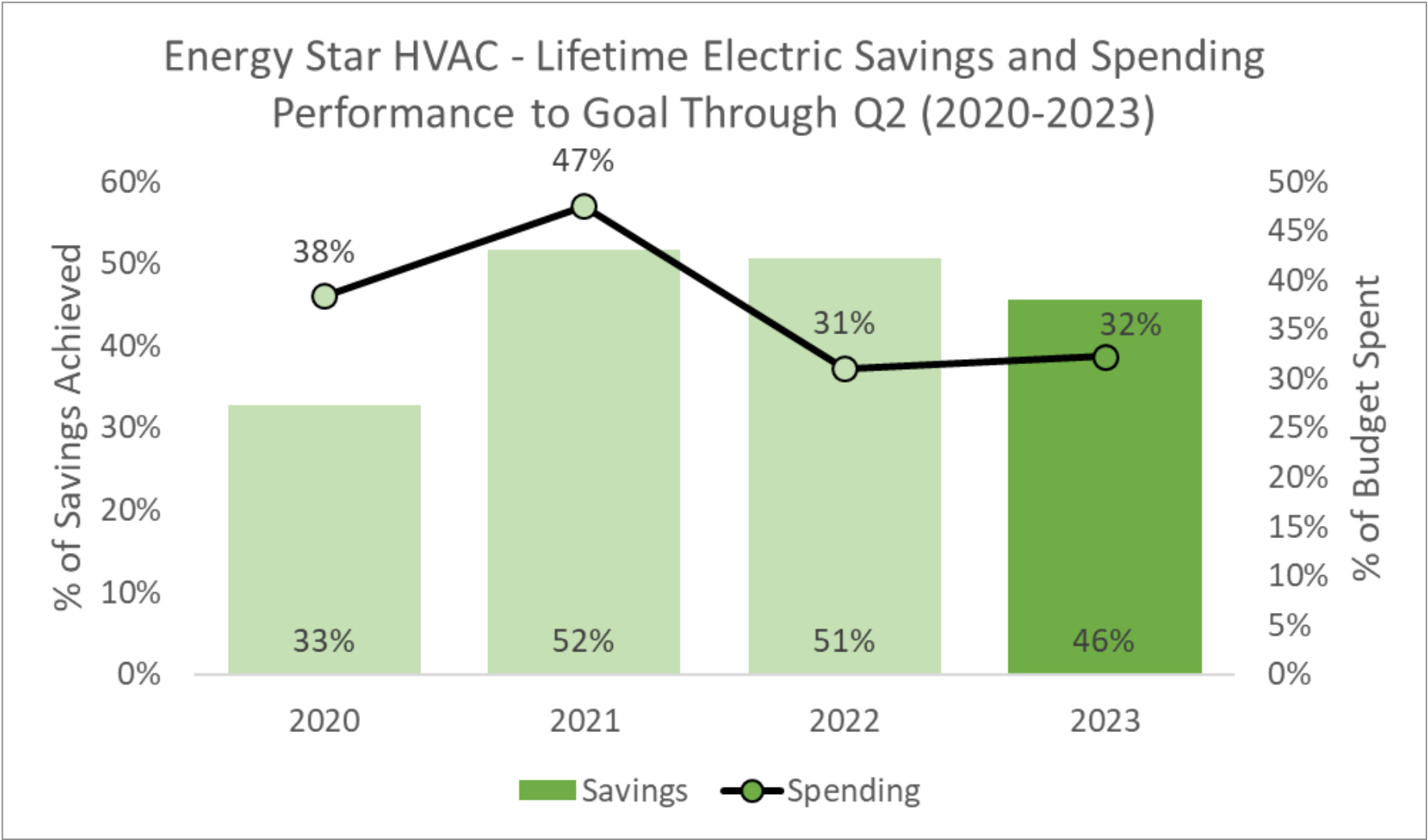
Electric Res Programs





Share of Planned Portfolio Savings **11%**

Electric Res Programs



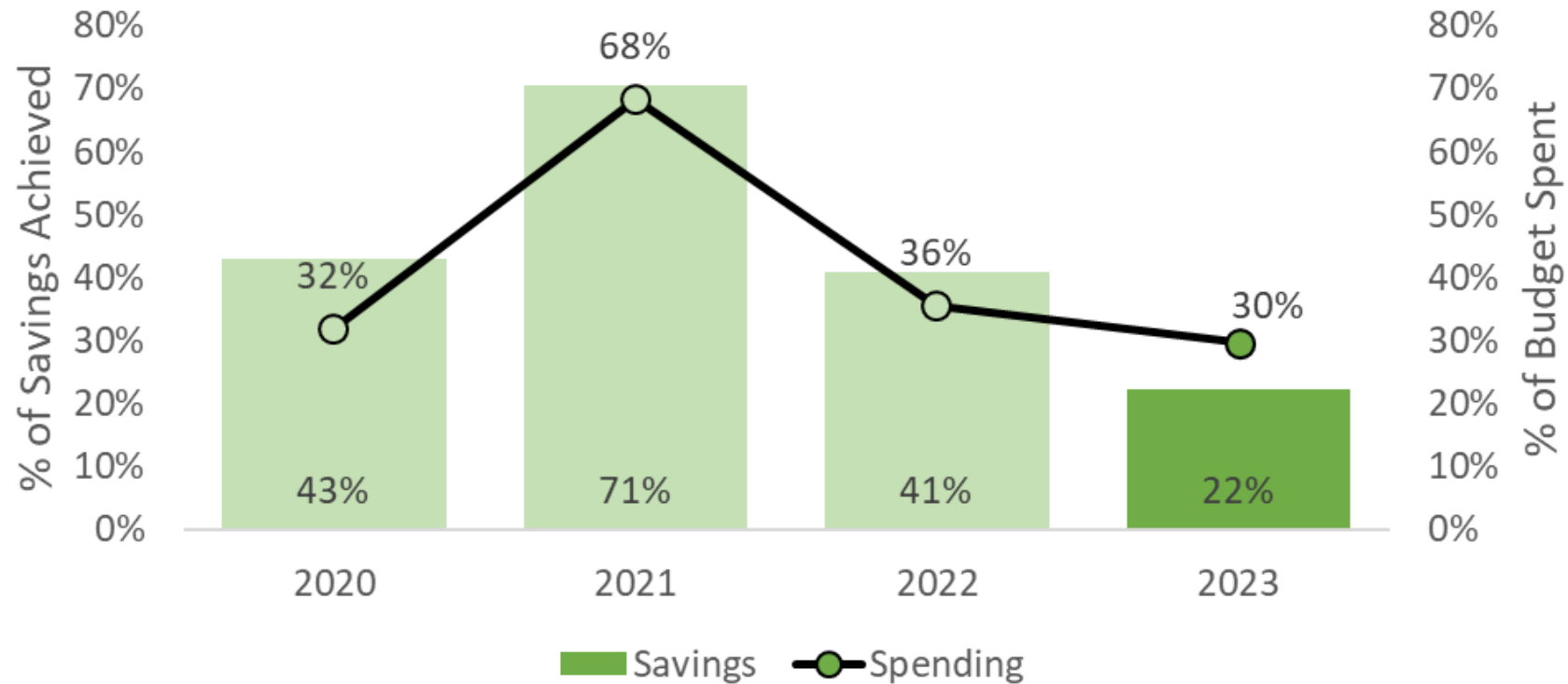


Share of Planned
Portfolio Savings

3%

Electric Res Programs

EnergyWise Single Family (1-4 Units) - Lifetime Electric Savings and Spending Performance to Goal Through Q2 (2020-2023)

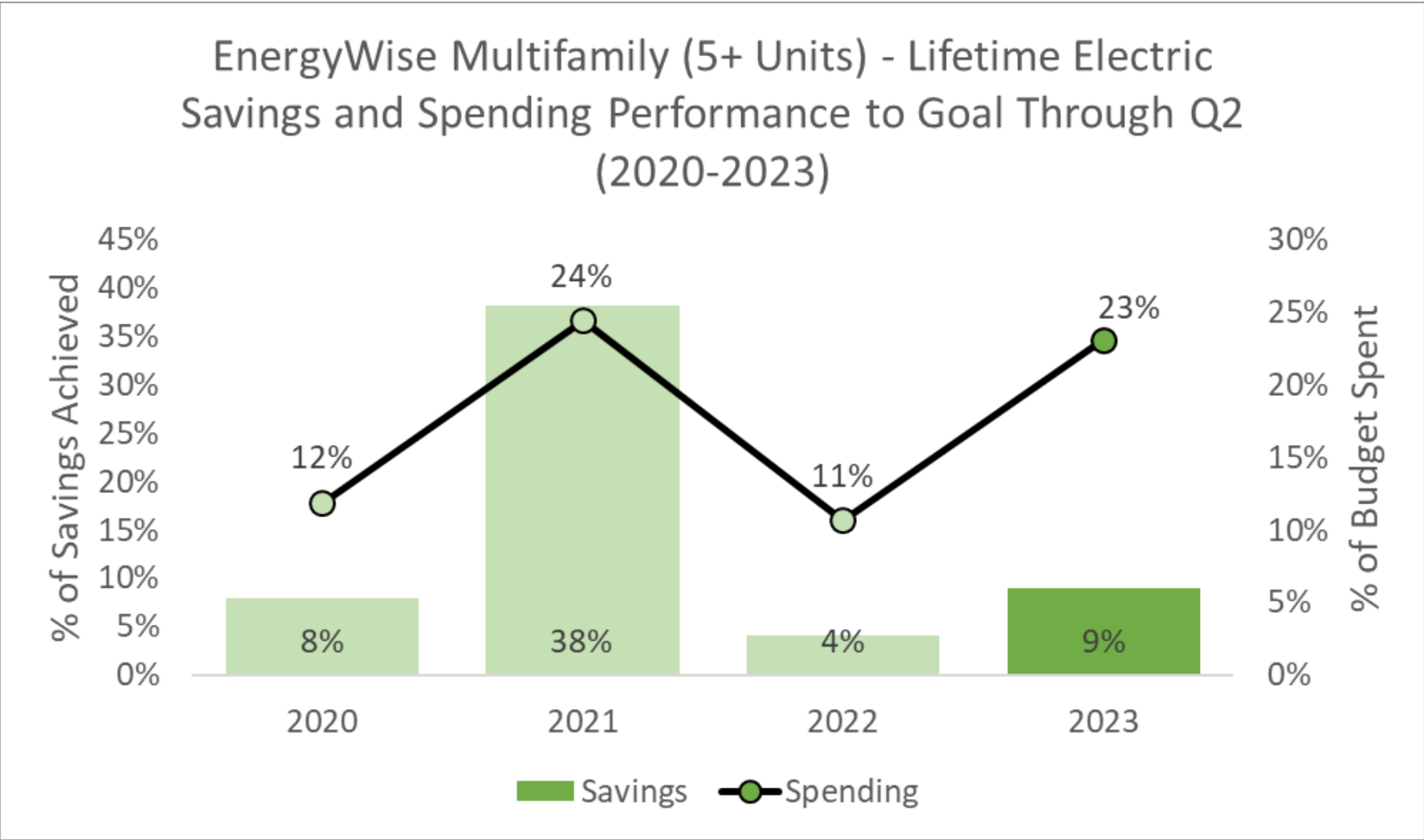




Share of Planned Portfolio Savings **1%**

Electric Res Programs

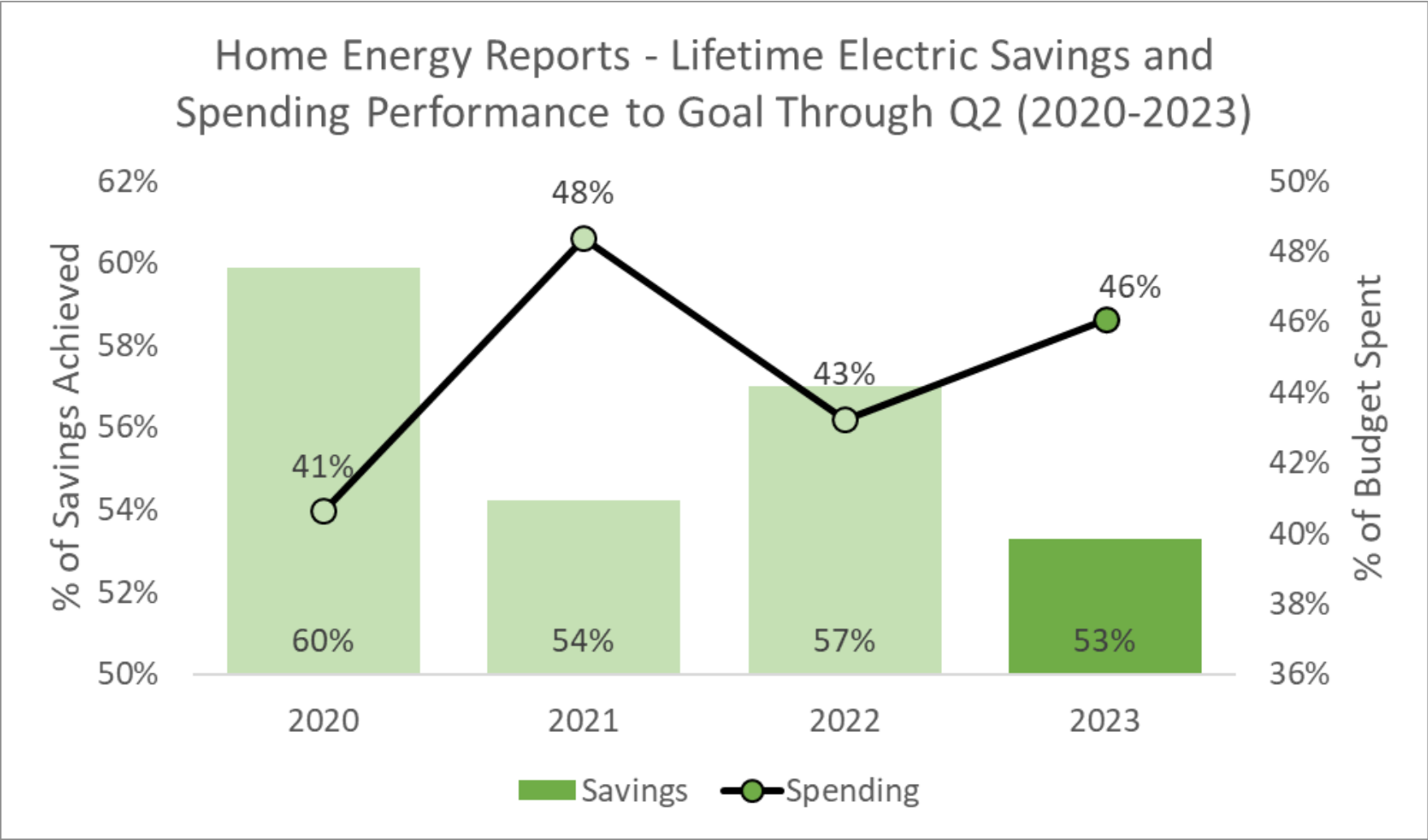
EnergyWise Multifamily (5+ Units) - Lifetime Electric Savings and Spending Performance to Goal Through Q2 (2020-2023)





Share of Planned Portfolio Savings **4%**

Electric Res Programs



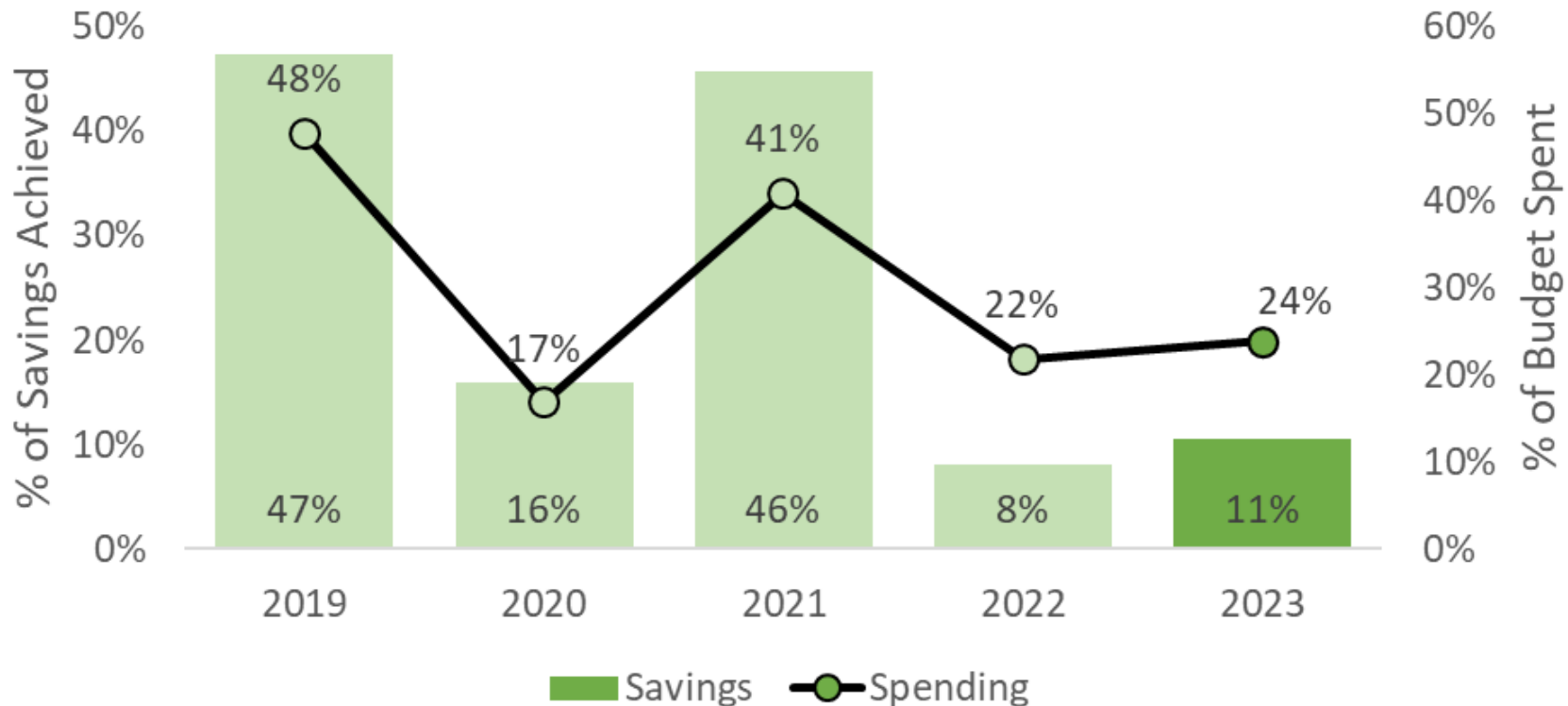


Share of Planned Portfolio Savings

5%

Electric Res Programs

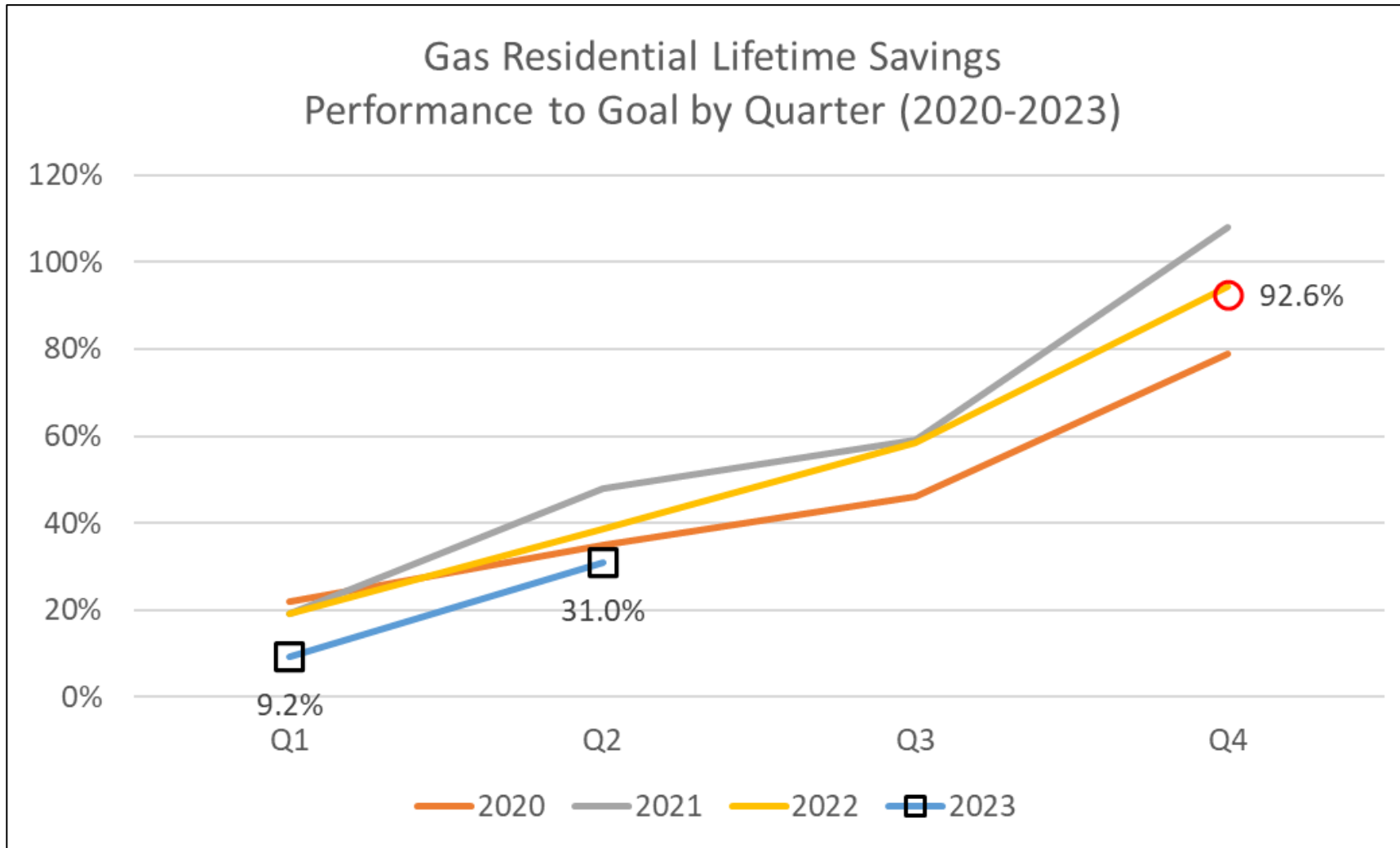
Residential Consumer Products - Lifetime Electric Savings and Spending Performance to Goal Through Q2 (2020-2023)





Share of Planned Portfolio Savings **46%**

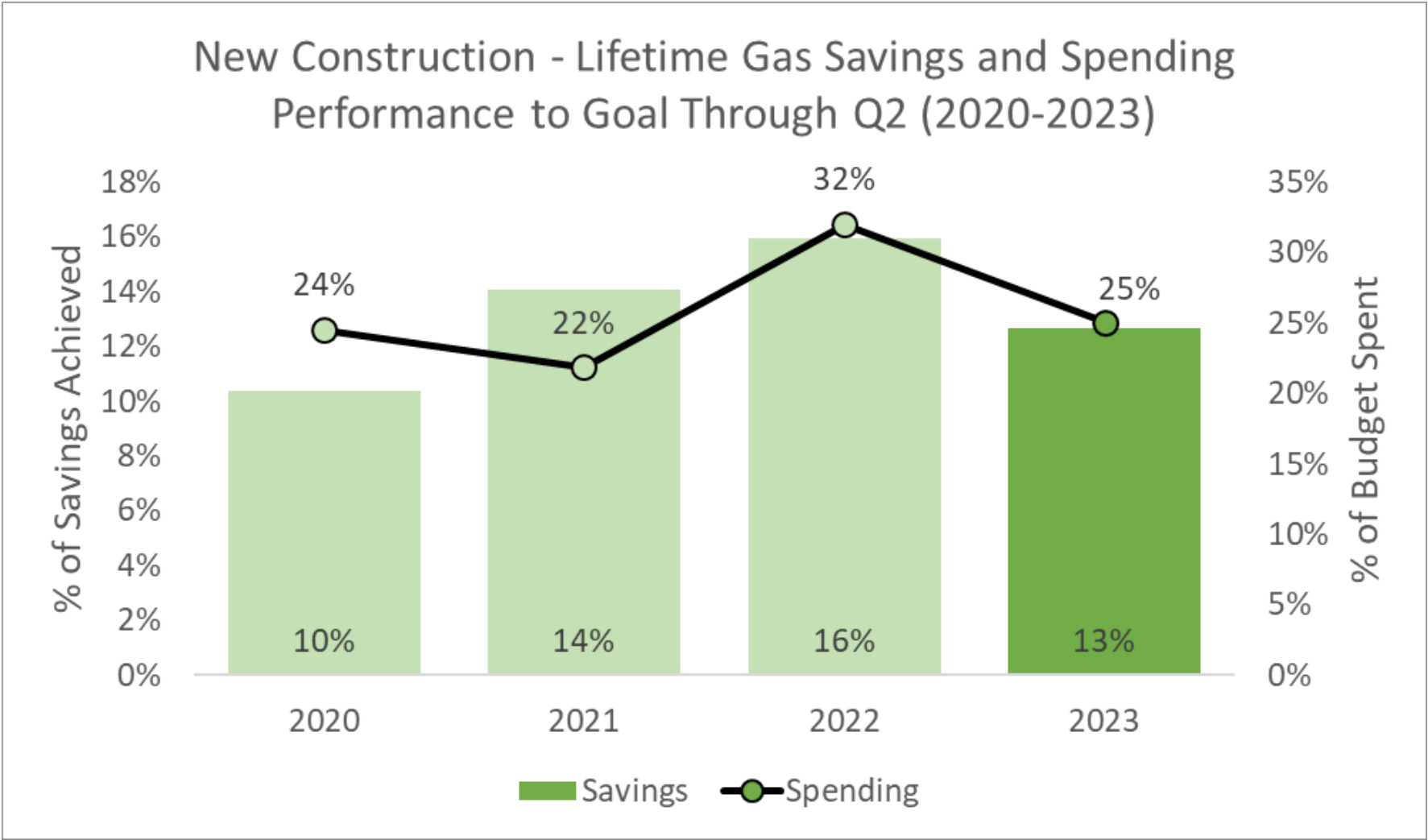
Gas Res Performance





Share of Planned Portfolio Savings **1%**

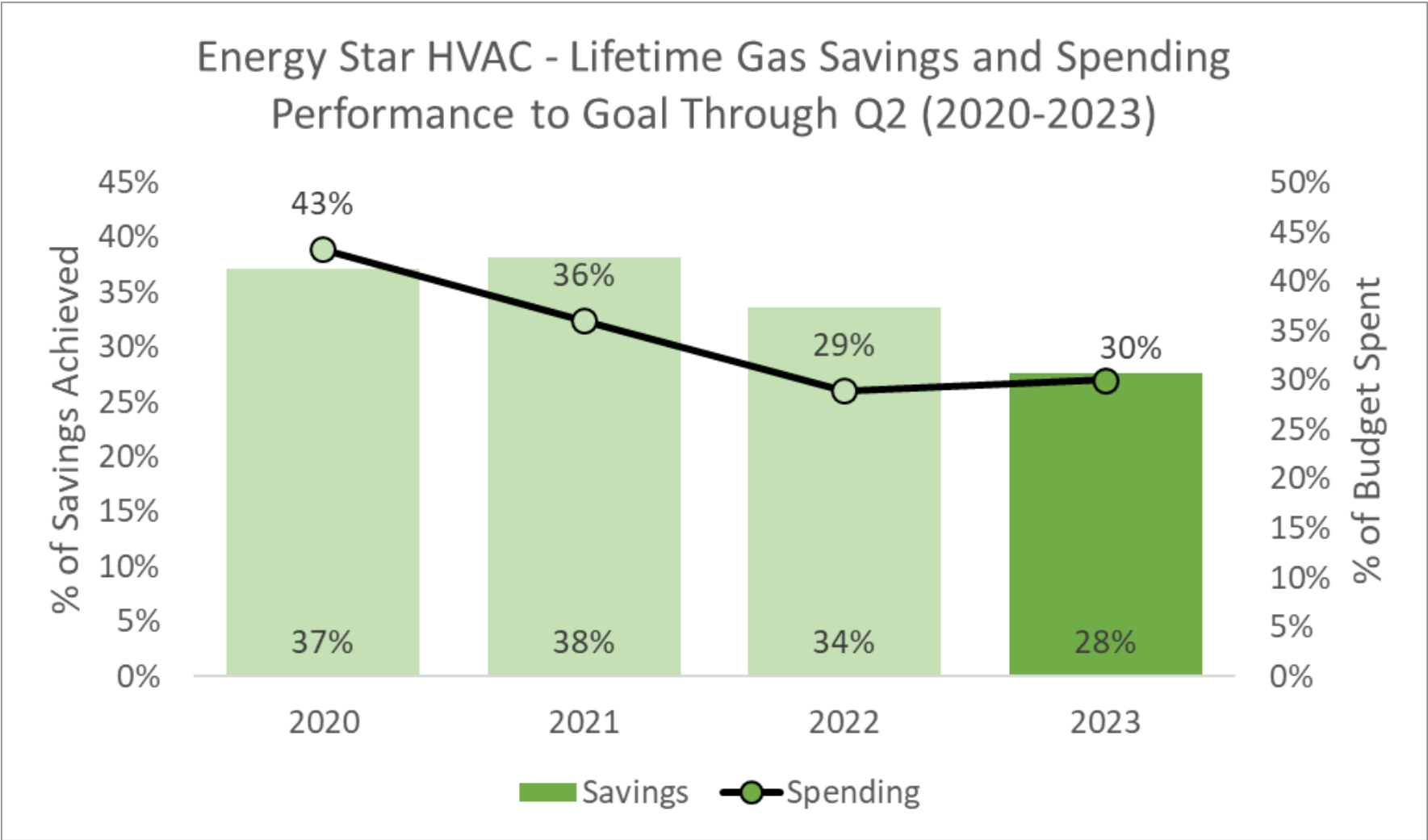
Gas Res Programs





Share of Planned Portfolio Savings **8%**

Gas Res Programs

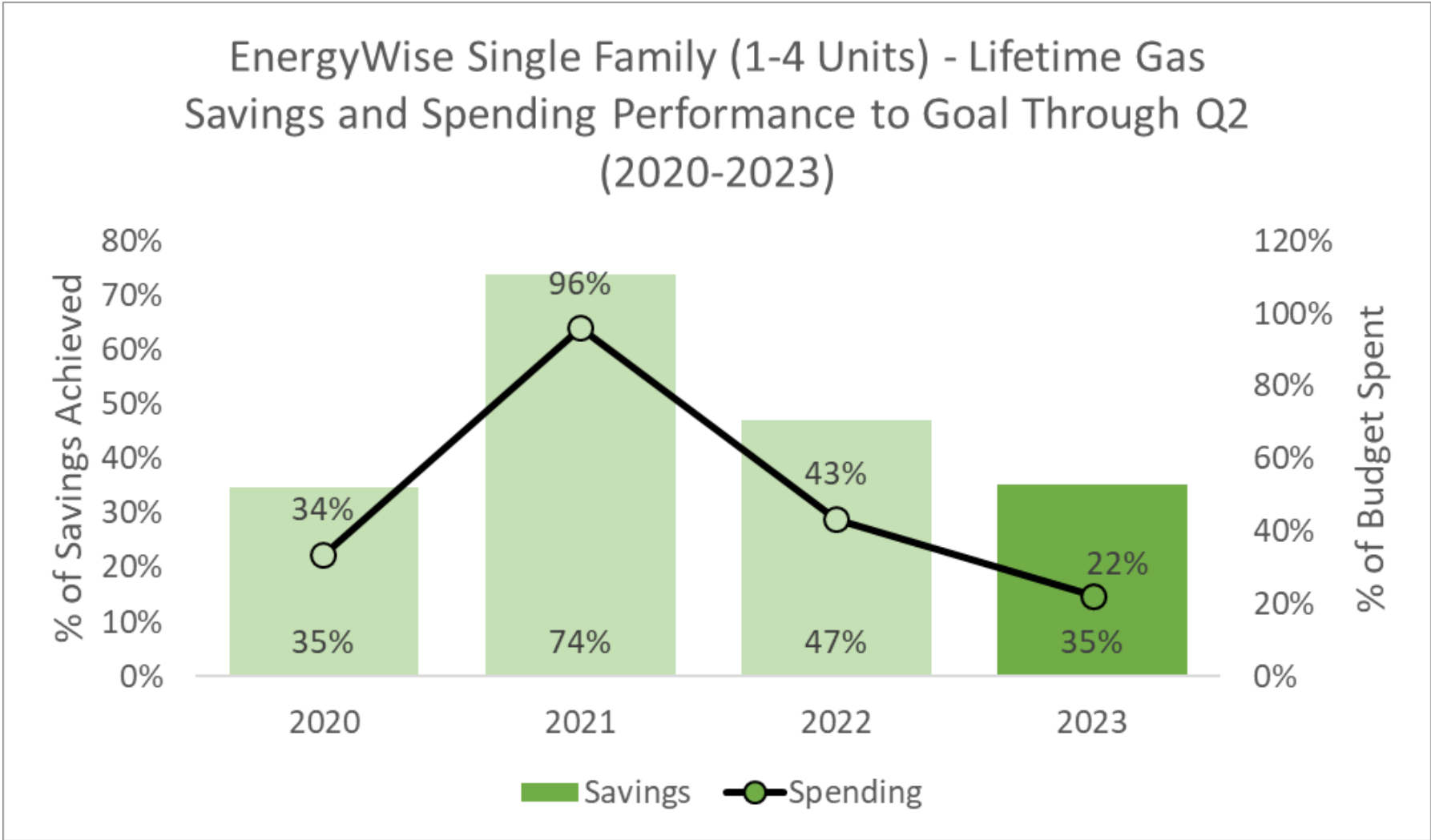




Share of Planned Portfolio Savings **6%**

Gas Res Programs

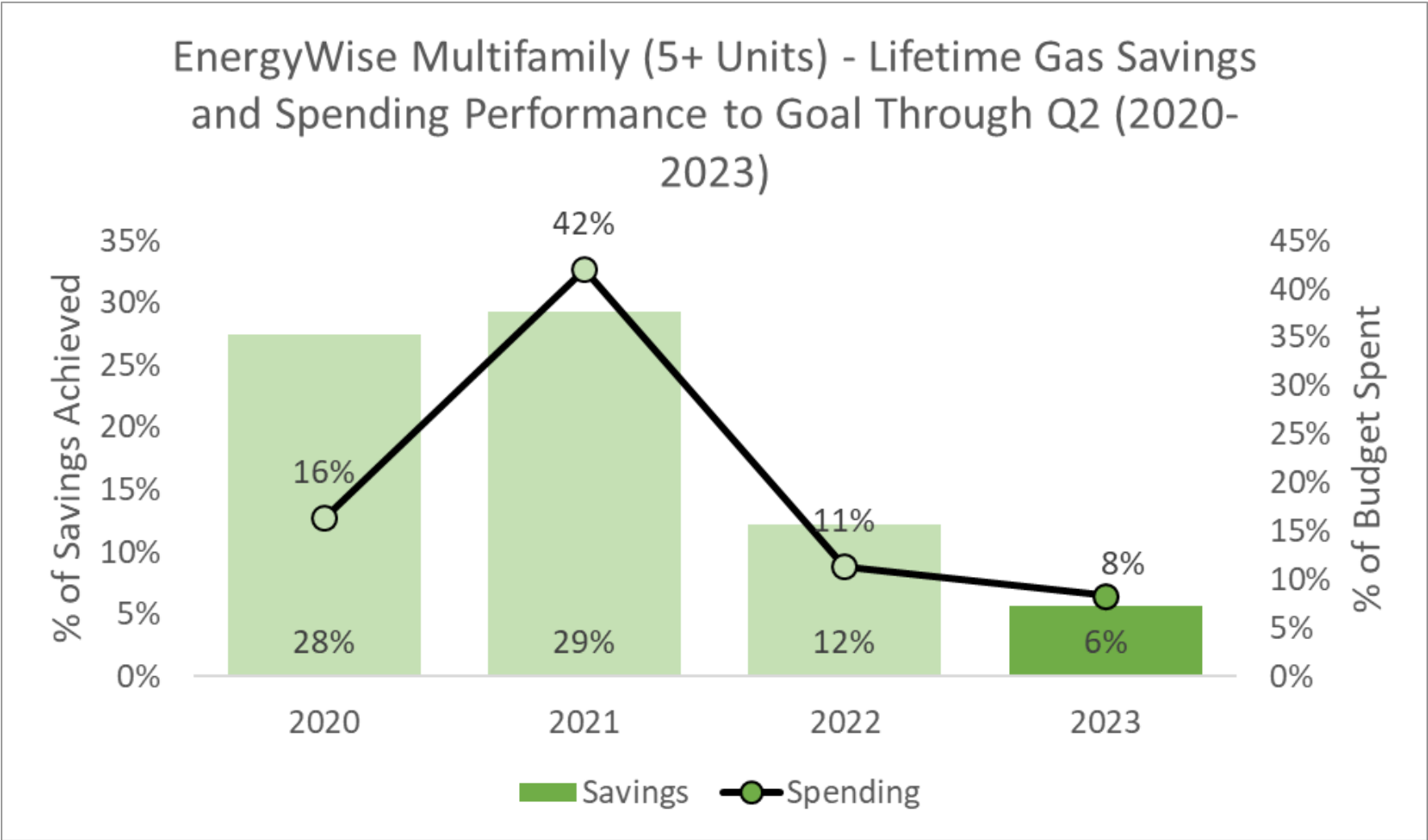
EnergyWise Single Family (1-4 Units) - Lifetime Gas Savings and Spending Performance to Goal Through Q2 (2020-2023)





Share of Planned Portfolio Savings **2%**

Gas Res Programs



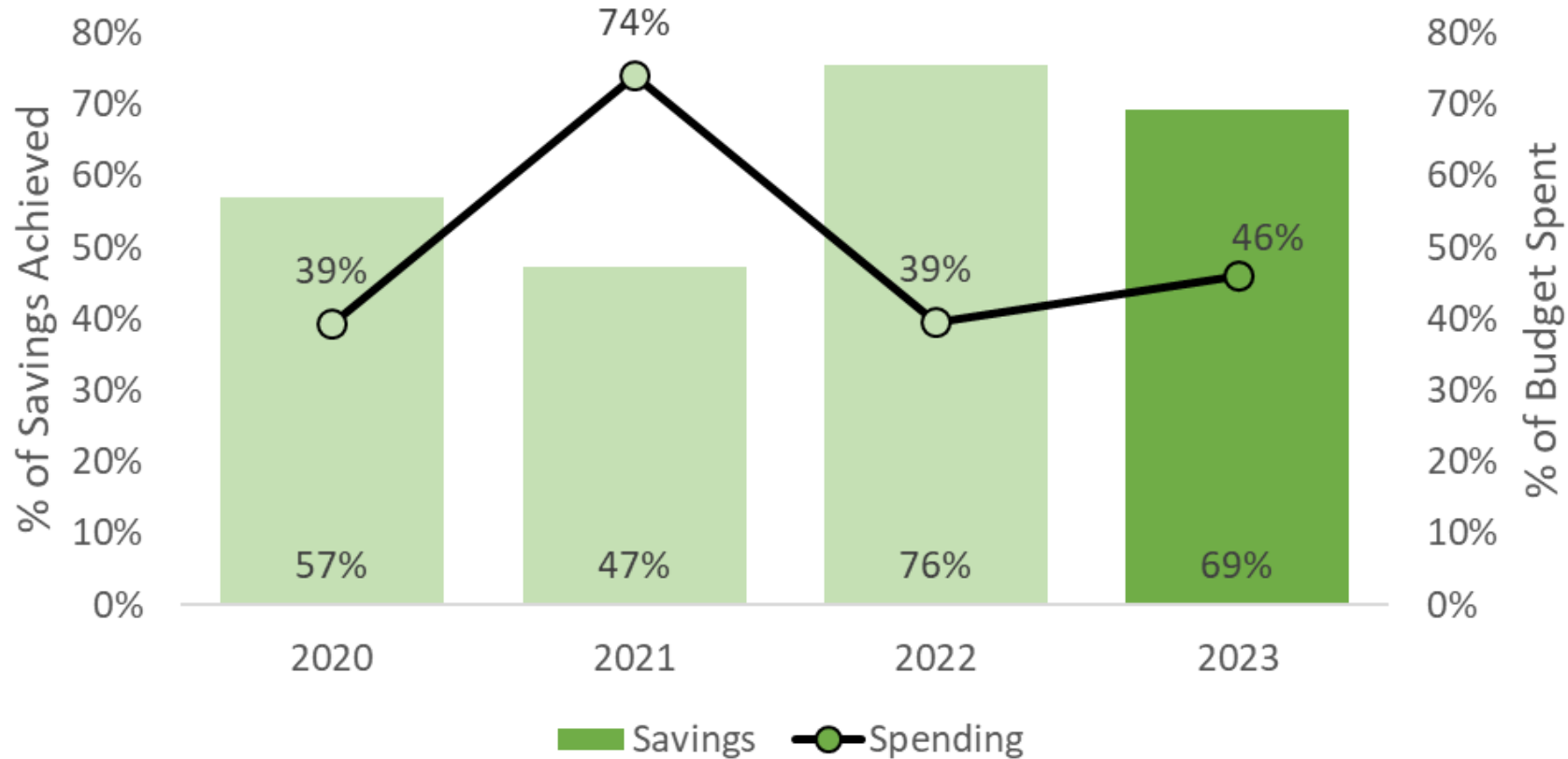


Share of Planned
Portfolio Savings

28%

Gas Res Programs

Home Energy Reports - Lifetime Gas Savings and Spending
Performance to Goal Through Q2 (2020-2023)

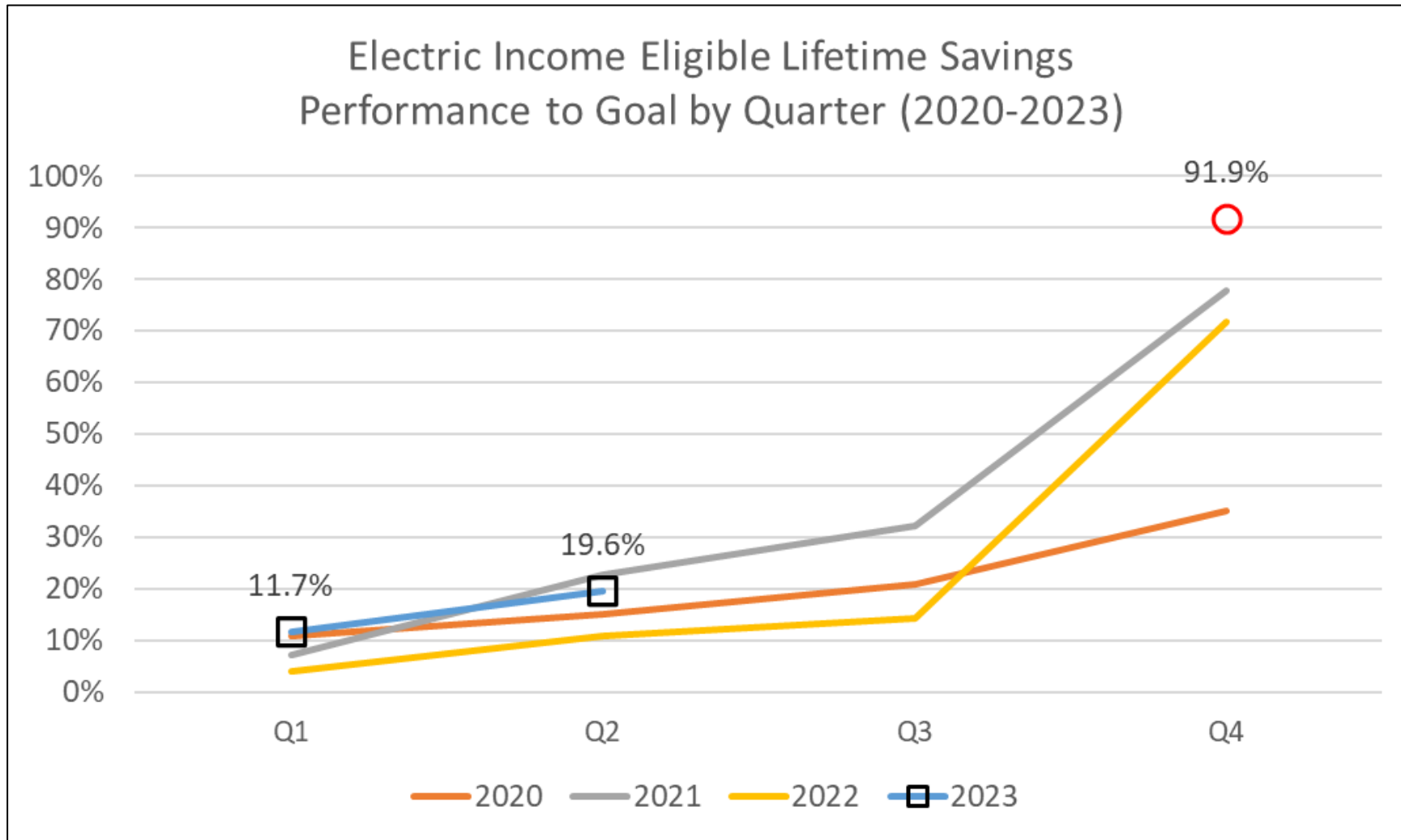




Share of Planned Portfolio Savings

6%

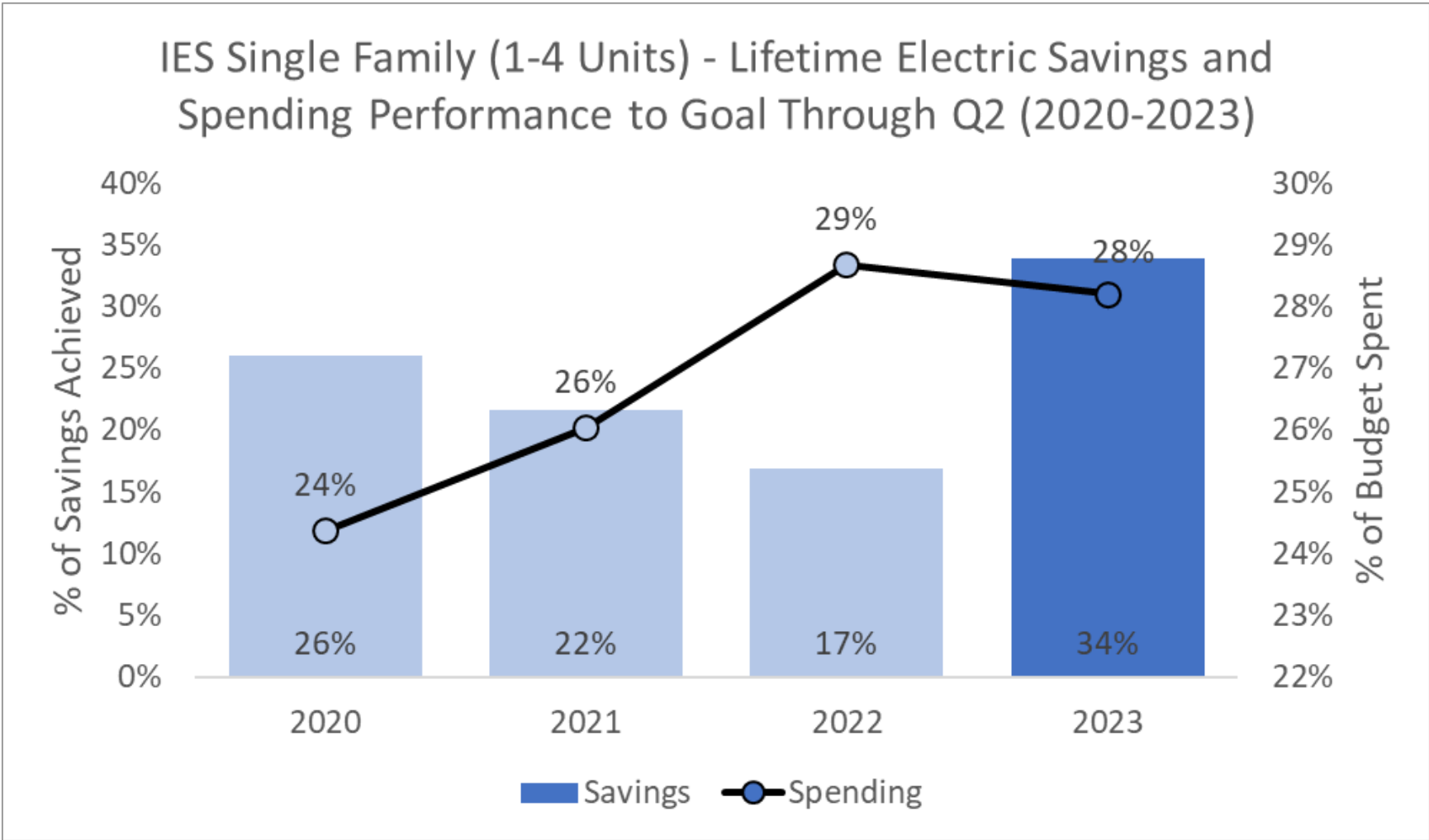
Electric IE Performance





Share of Planned Portfolio Savings **4%**

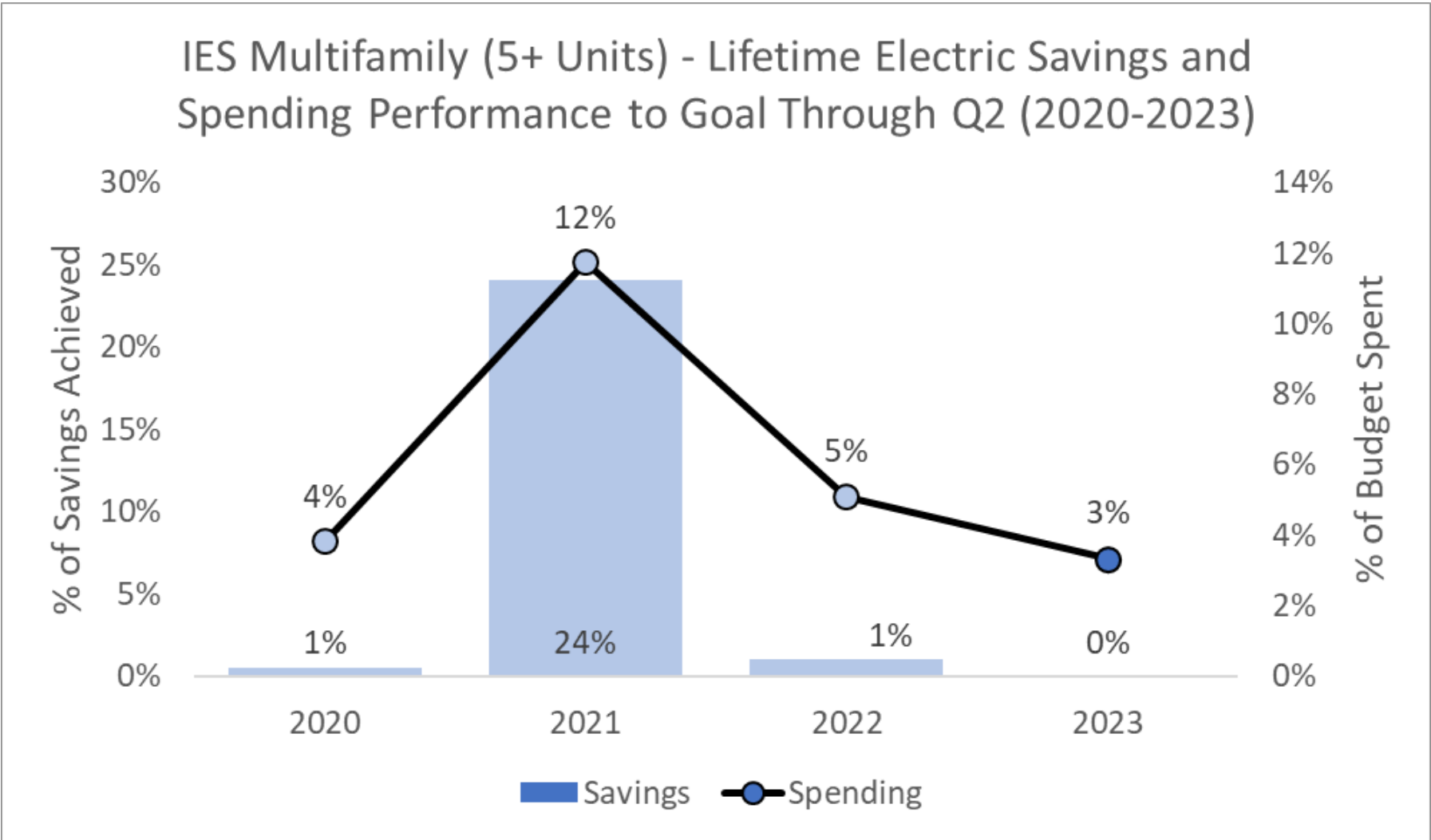
Electric IE Programs





Share of Planned Portfolio Savings **3%**

Electric IE Programs

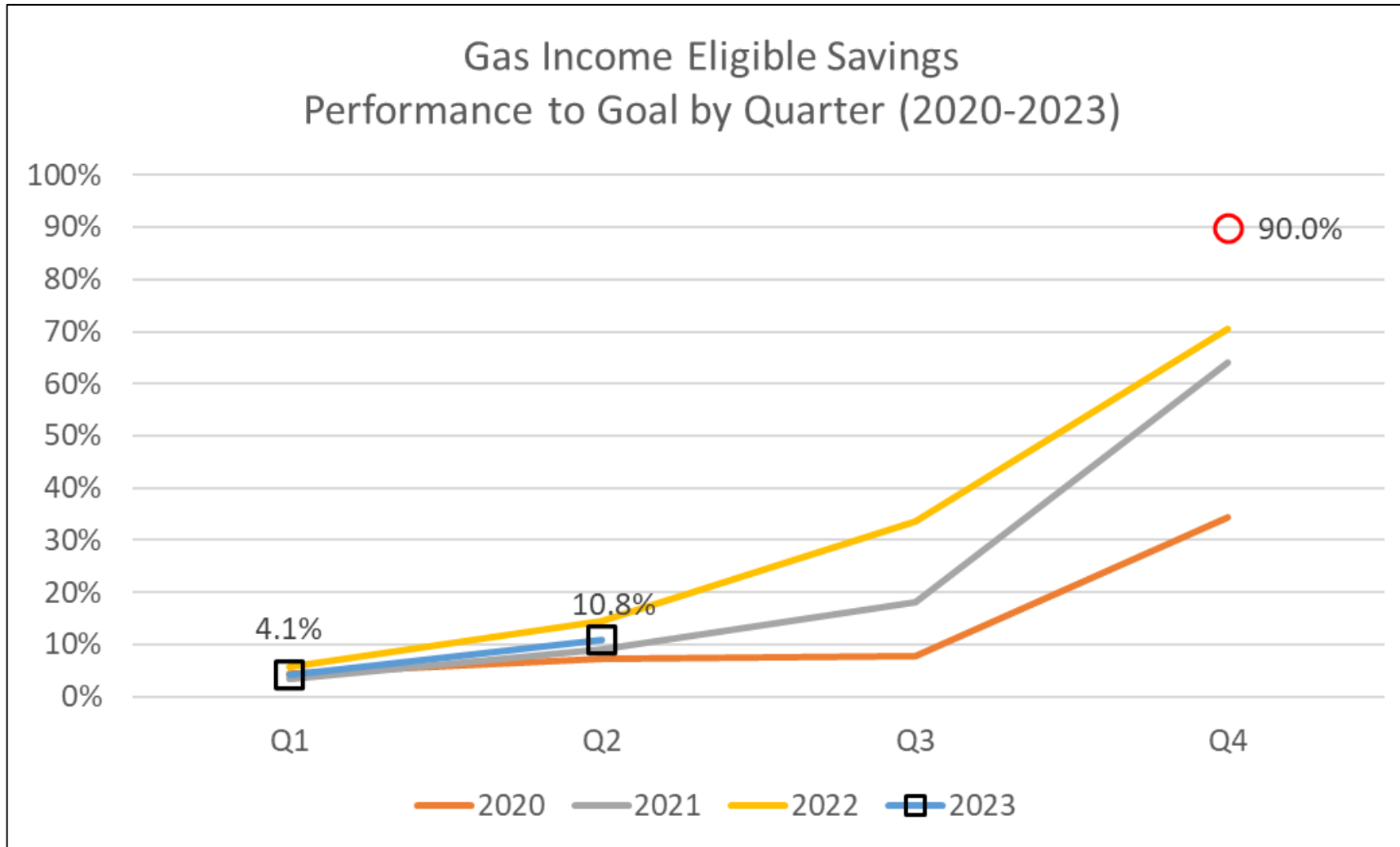




Share of Planned Portfolio Savings

6%

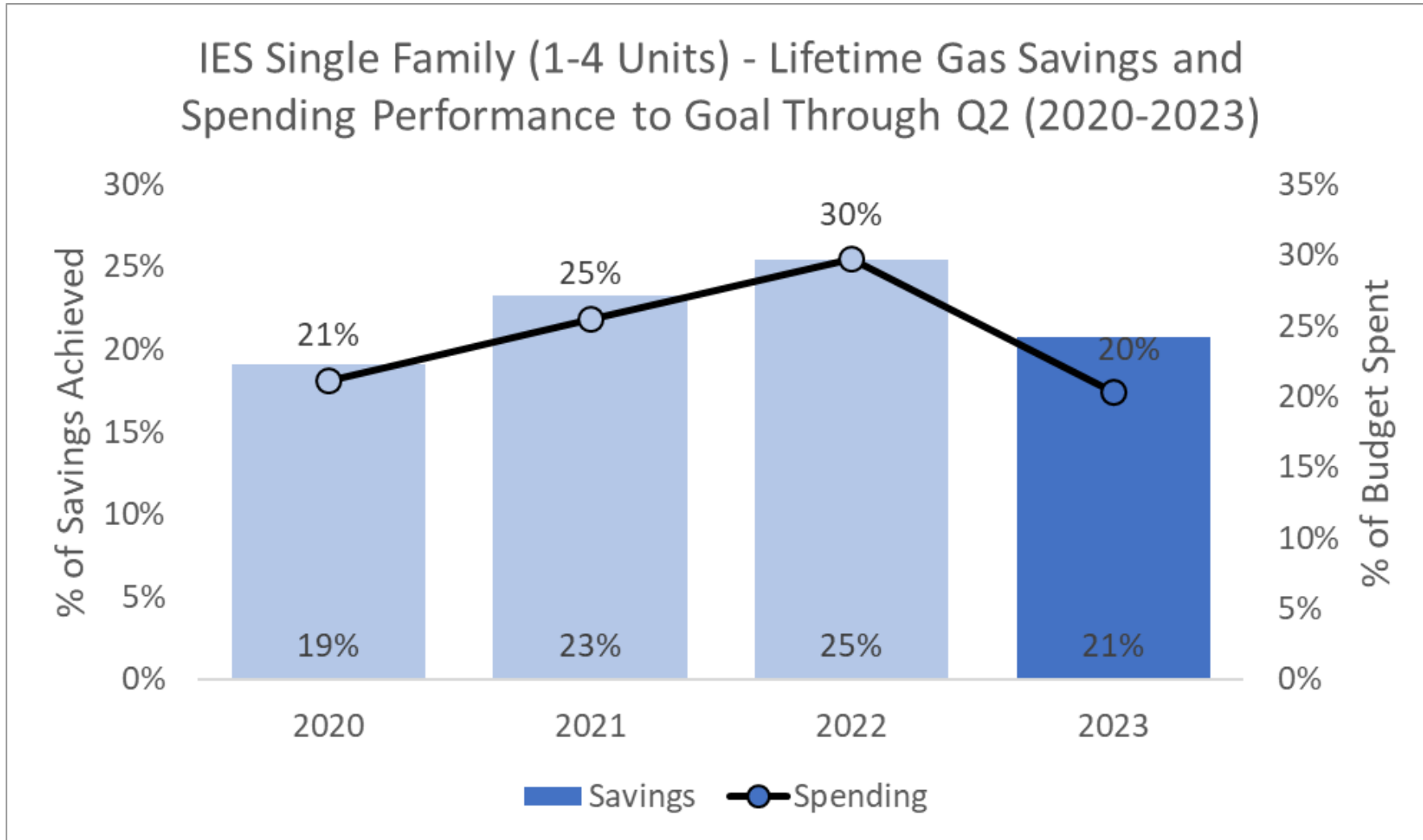
Gas IE Performance





Share of Planned Portfolio Savings **3%**

Gas IE Programs





Share of Planned Portfolio Savings **3%**

Gas IE Programs

IES Multifamily (5+ Units) - Lifetime Gas Savings and Spending Performance to Goal Through Q2 (2020-2023)

