



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

CONSULTANT TEAM

EERMC Priorities 2025 Plan Priorities

Presented By: EERMC C-Team

Date: January 25, 2024





Outline

Background

2025 Priorities

Next Steps

Council Discussion

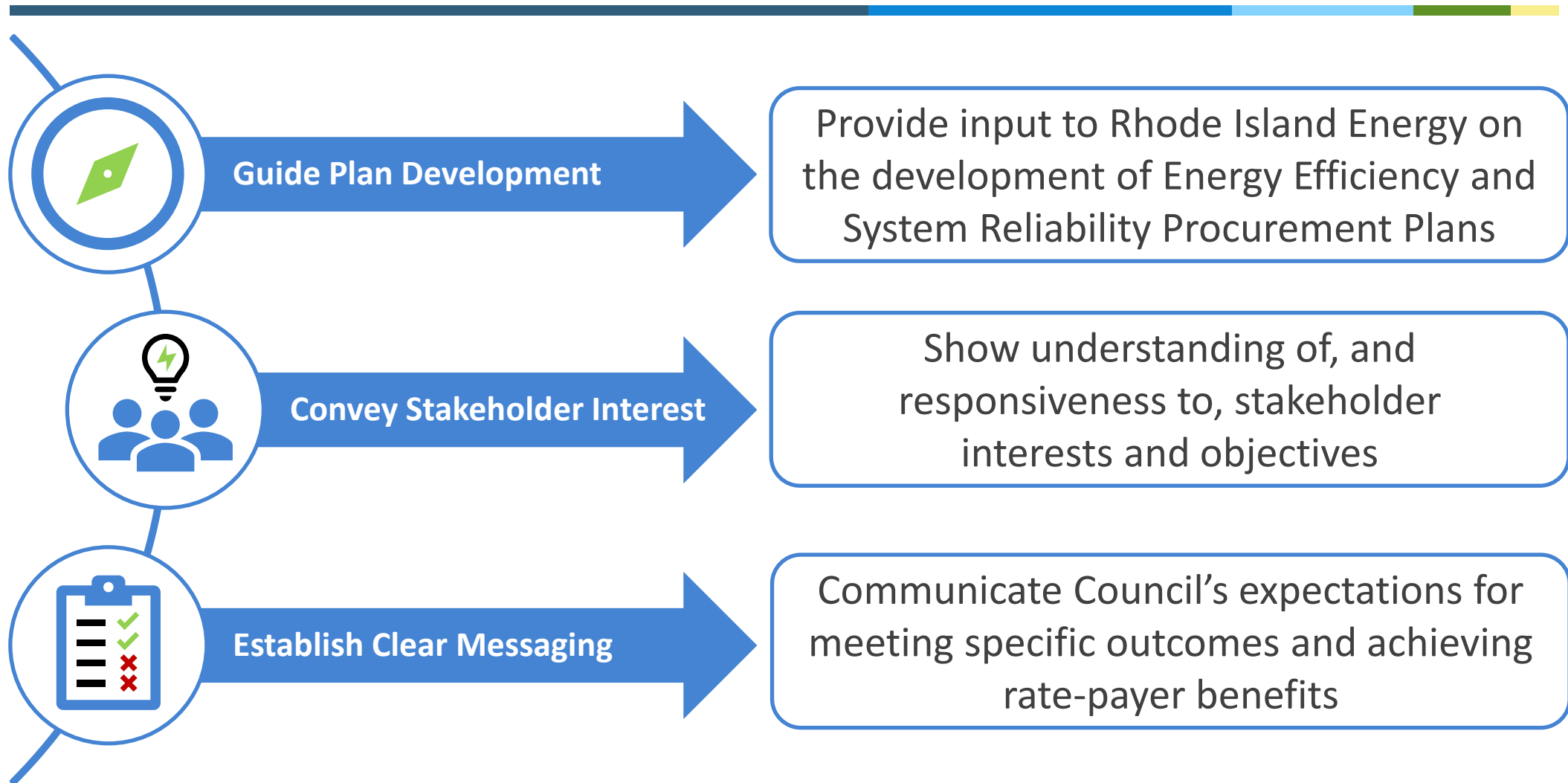


BACKGROUND





Why Set Plan Priorities?





How Are Priorities Used?

Stakeholder Communication

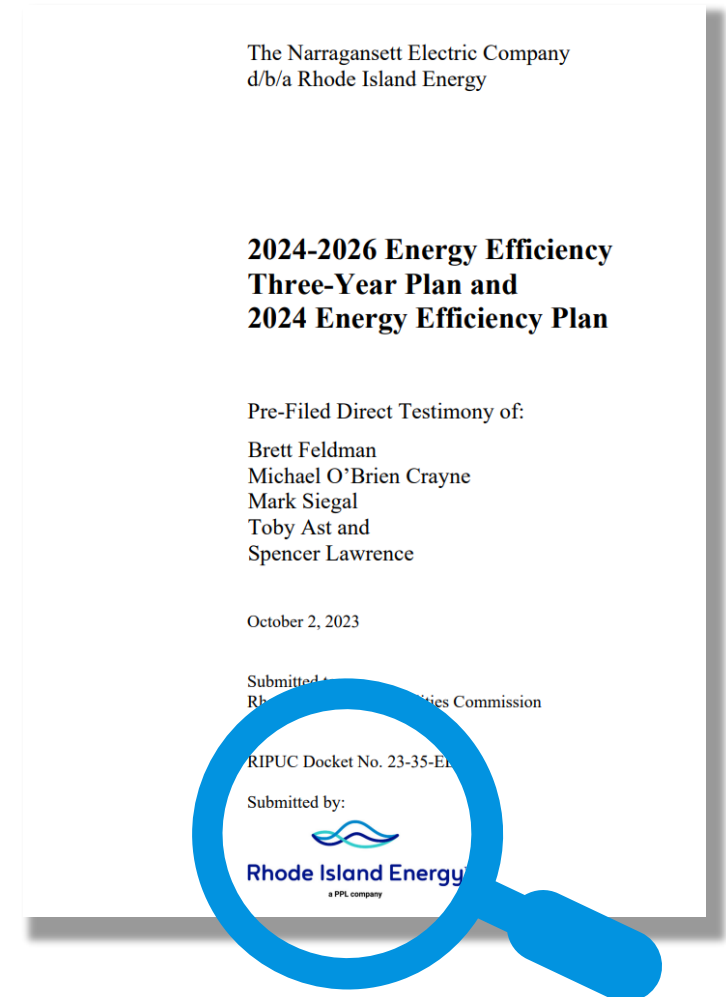
- Presented to Rhode Island Energy’s stakeholder engagement groups, known as Technical Working Groups

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 EE Plan Priorities

Council's Priorities for the 2024-2026 Energy Efficiency Plan

Comply with Least Cost Procurement Standards (LCP)

Give Due Consideration to Act on Climate

Incorporate Stakeholder Input

Ensure Effective & Efficient Development & Review Process

Set Ambitious Three-Year and Annual Plan Savings Goals

Increase Participation in Underserved Communities

Conduct Targeted Workforce Development



2024-2026 EE Plan Priorities

Council's Priorities for the 2024-2026 System Reliability Procurement Plan

Category	The 2024-2026 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 Energy Efficiency and Demand Energy Reduction 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 the planned timeline and 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.

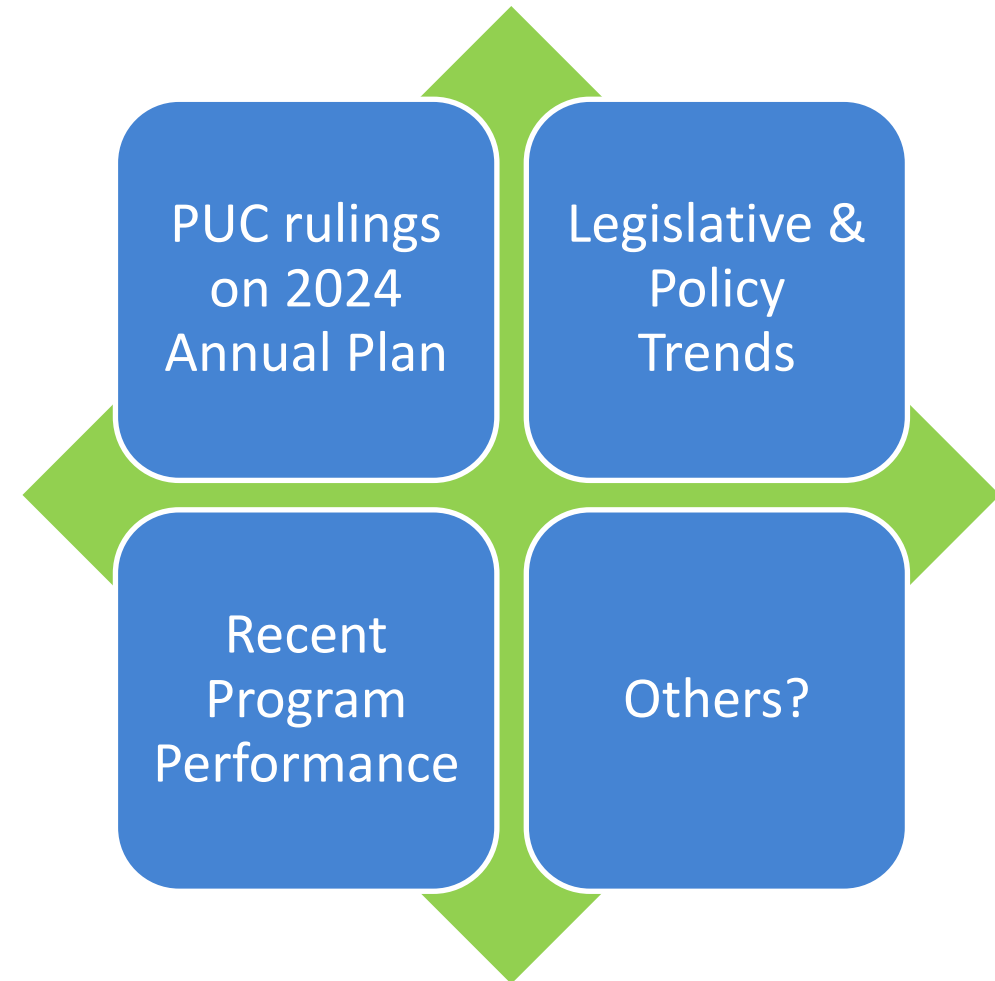
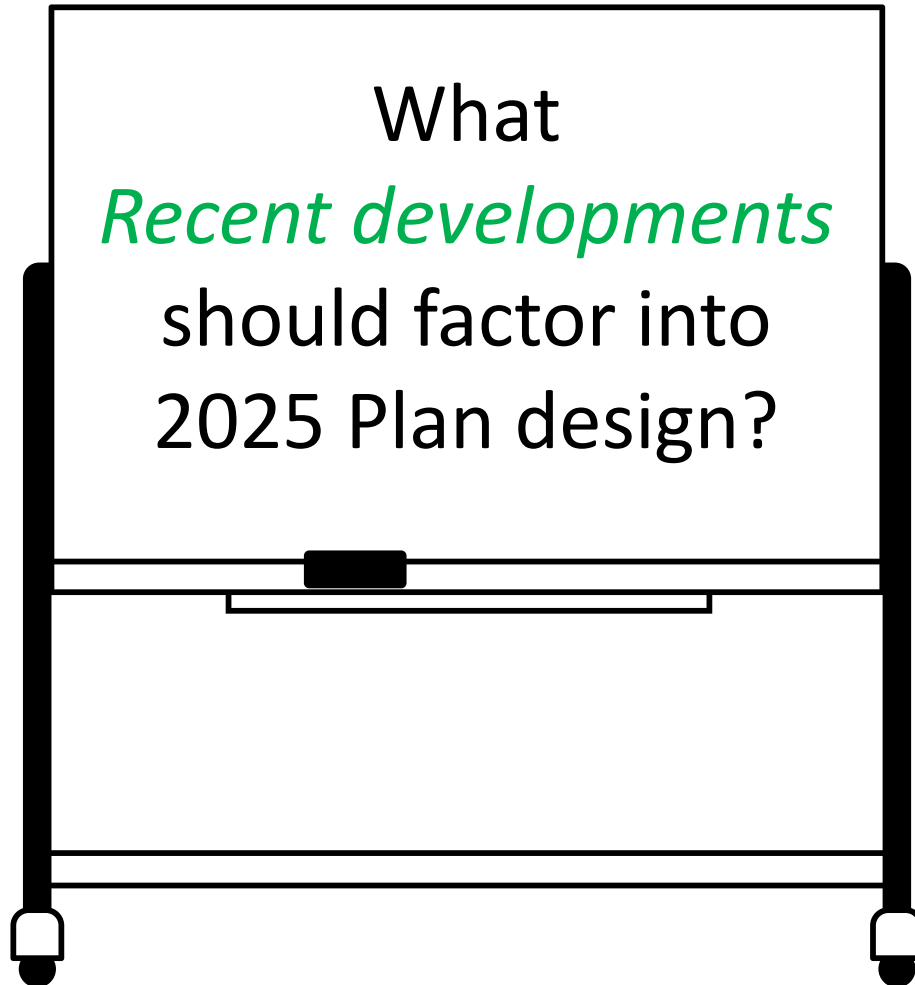


2025 PRIORITIES





Potential 2025 EE Plan Priority Considerations

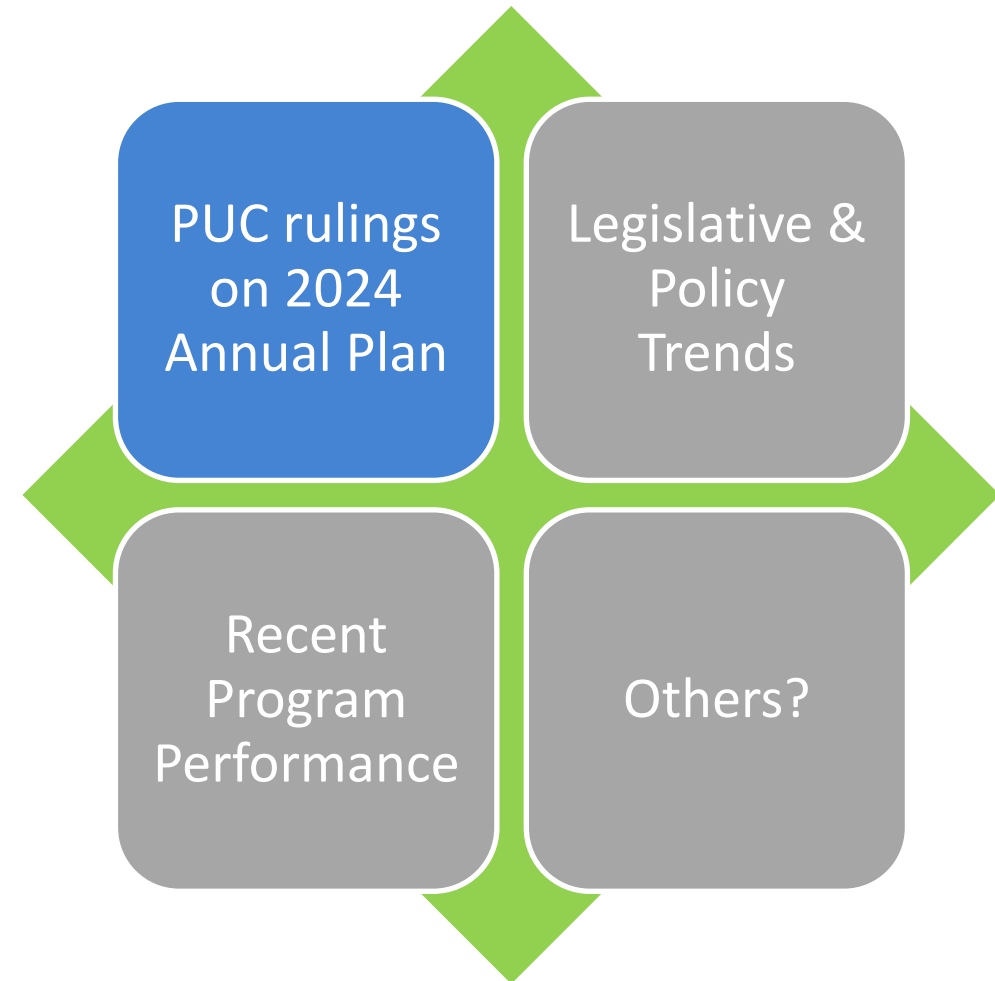




Potential 2025 EE Plan Priority Considerations

Clarifying basis for support, or revisiting design and approach, for programs that don't meet certain thresholds for cost-effectiveness and cost of supply

Methodological updates to cost of supply and carbon accounting approaches





Potential 2025 EE Plan Priority Considerations

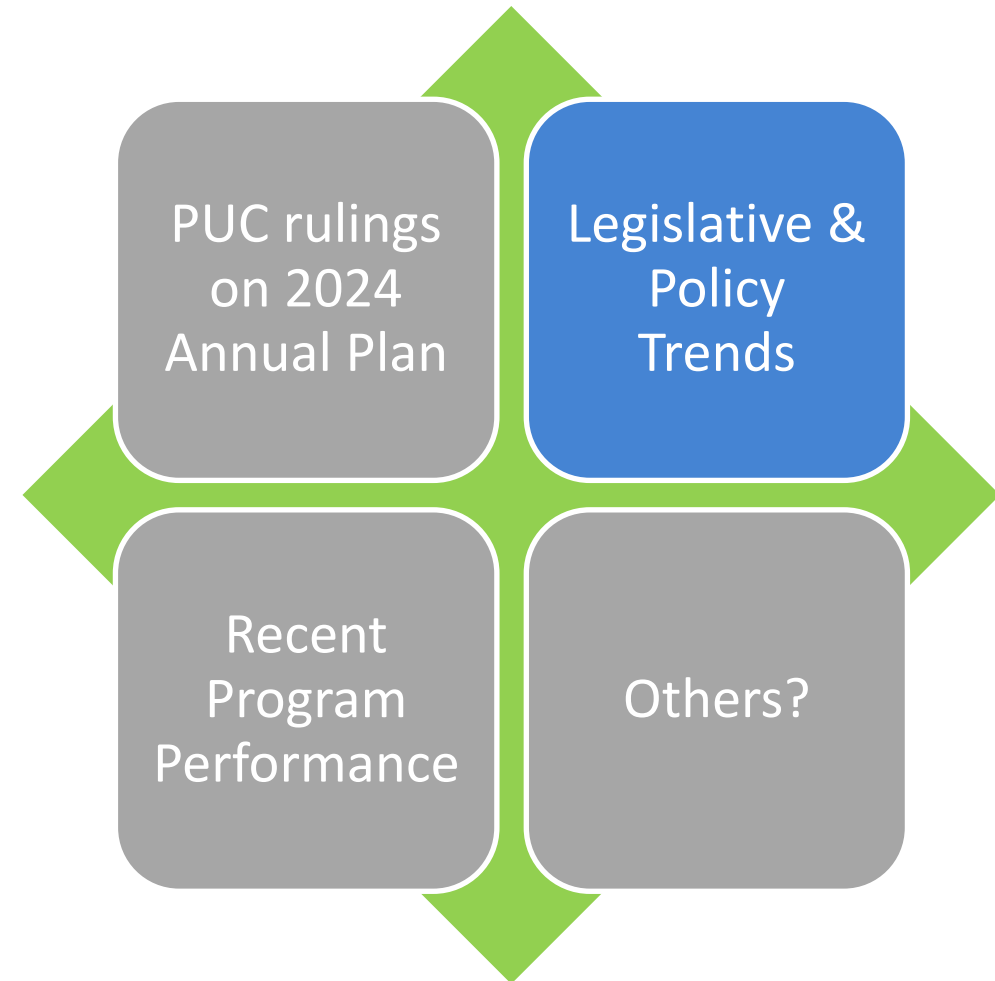
Accounting for outcomes from Future of Gas Docket

Reinforcing Act on Climate

- Exploring appropriate reference scenarios for EE Benefit Cost Analysis under Act on Climate decarbonization assumptions
- References to State's 2025 Climate Strategy

Federal Funding

- Including related outcomes of Company filing responding to PUC Ruling for submitting information related to federal funding coordination within 90 days





Potential 2025 EE Plan Priority Considerations

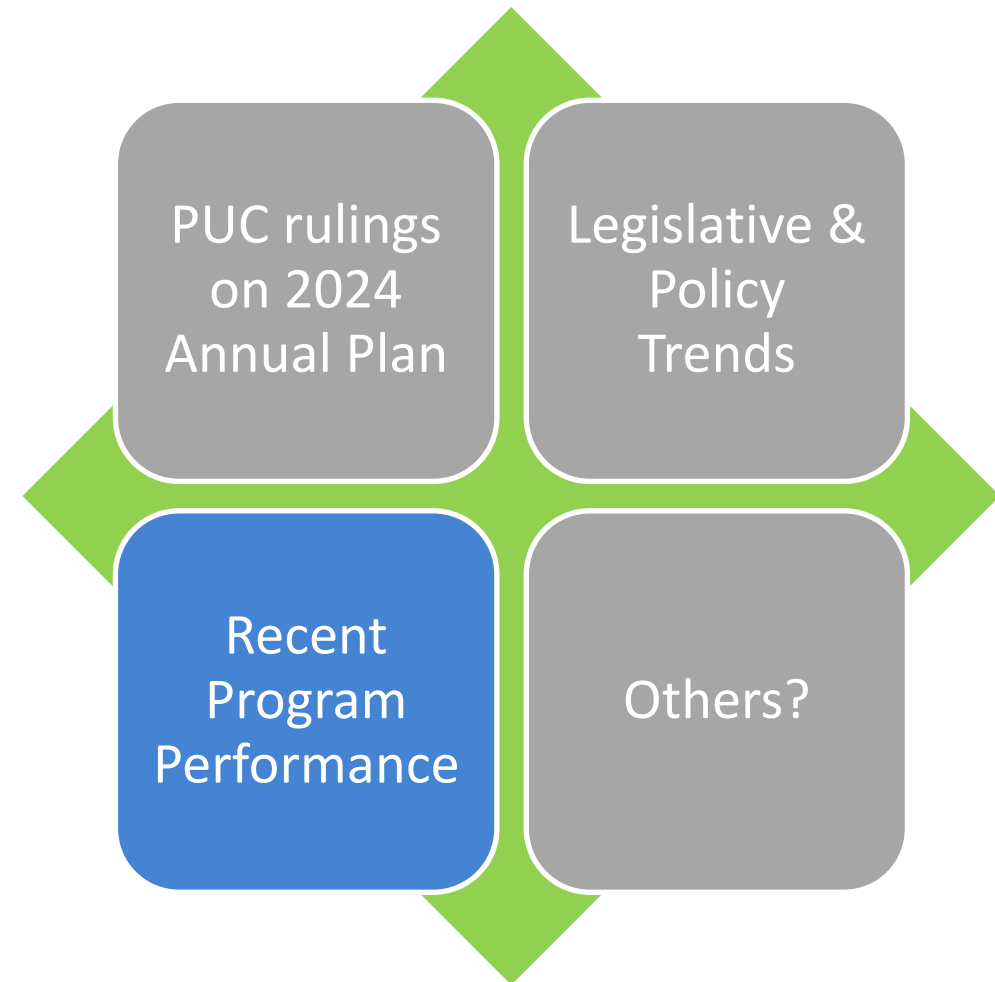
Select programs that have recent underperformance

- Can be informed by 2024 Year-End Results

Components of programs

- Measures or approaches within programs

Growth trajectory for successful programs that are highlight cost-effective, lower than the cost of supply, and provide net utility system benefits





Potential 2025 EE Plan Priority Considerations

Addressing Council's
outstanding comments
from 2024-2026 EE Plan

Examples:

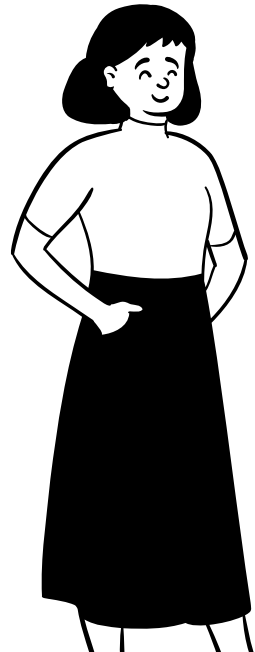
- Equity, including plan for establishing a performance incentive
- Workforce Development
- Small Biz Electric Resistance to HP program





Other Potential 2025 Plan Priority Considerations

What *current challenges* are my constituents facing?



Background

How can *energy efficiency play a role* in addressing the challenges I'm seeing?



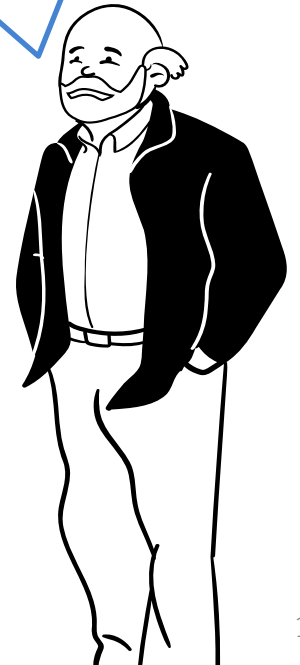
2025 Priorities

Can any of our previous priorities *be shifted* to baseline expectations?



Next Steps

How should the 2025 Plan be developed to best *meet the current needs* of my constituents?



Council Discussion



Potential 2025 SRP Priority Considerations

Unlike EE Plans, there are no annual versions of SRP Plans

Priorities for 2024-2026 SRP Plan set **prior** to updates to LCP Standards that pulled Demand Response out of EE Filings

- New/updated priorities likely warranted

Some considerations:

- SRP Investment Proposals (e.g. Active Demand Response)
- Continued robust Demand Response Programs
- System resilience
- Shift to oversight (rather than completion of) Non-Pipes and Non-Wires Alternative (NPA/NWA) Programs



NEXT STEPS





Next Steps

January to February: One-on-one meetings

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

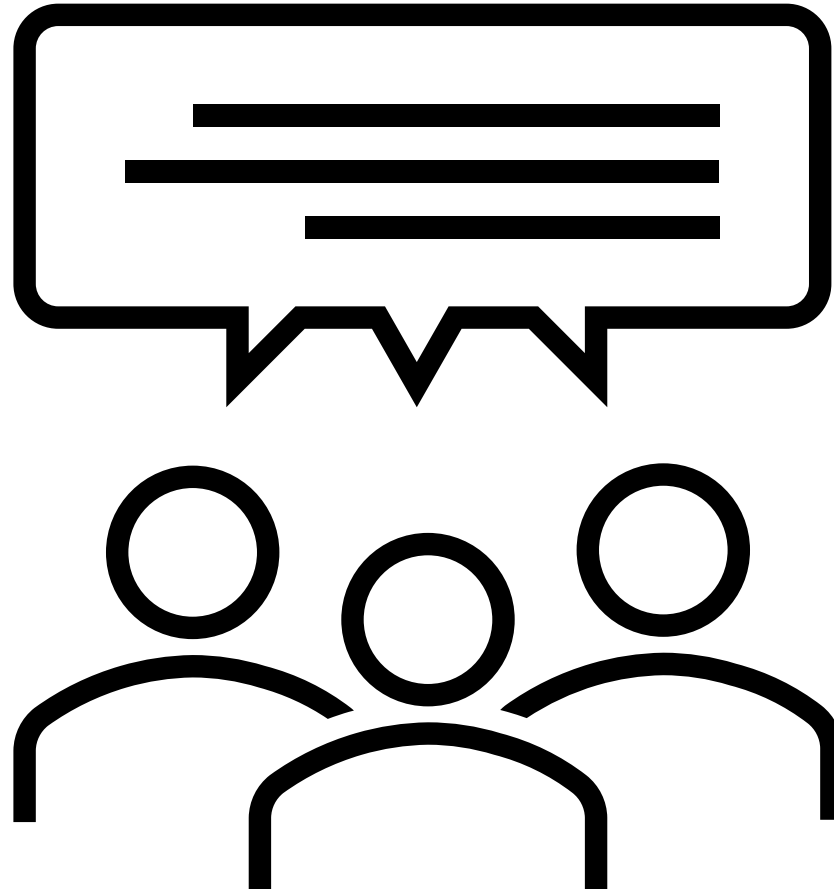
February: Council receives and discusses First Draft of 2025 EE and SRP Plan Priorities

February/March: Council discusses, refines and votes on 2025 EE and SRP Plan Priorities

March: C-Team presents Council Priorities to EE Technical Working Group



Council Member Discussion





APPENDIX








2024-2026 EE PLAN 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.

- This includes any subsequent updates to the Standards.

Include key metrics to be tracked and reported



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

Incorporate Stakeholder Input



Reflect priorities set by Technical Working Group members

Reflect Equity Working Group findings and conclusions throughout Plan

The EERMC, in collaboration with the Company, should host at least two public comment listening sessions on the 2024-2026 EE Three-Year Plan



- 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

Determine necessary GHG emissions reductions from EE programs required to comply with the Act on Climate, pending release of the 2025 Climate Strategy, by actively coordinating with the EC4 and other parties.

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 Three Year and Annual Plan goals for 2024-2026 that meet EERMC-recommended targets or explain any gaps between the targets and EE Plan goals

Ambitious goals should signal to the industry the intent to grow energy efficiency programs and participation



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

Increase Participation by Underserved Customers



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, in addition to other underserved customer groups, throughout 2024-2026



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

Targeted Workforce Development



Develop detailed workforce development plans that target small/MWBE contractors and leverage state/federal funds where available

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