



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

2018 Activities & Tasks for supplemental budget consideration

Presented By: Mike Guerard, Optimal Energy / EERMC Consultant Team (C-Team)

Date: February 16, 2018



Context

-
- In Optimal Energy’s bid to continue services as the C-Team we noted the following in response to the requested task – “provide any additional work on special projects directed by the EERMC on an as-needed basis”:
 - *To support budgeting of only required items, we noted in our bid that only expected project areas with tasks that can be reasonably estimated were included, and as such this task was left without any assumed budget.*



Content

In the 2018 proposed scope of work, 5 areas of “special projects” were identified as possible tasks for EERMC consideration:

- 1. Broaden educational opportunities**
- 2. Innovation and 2019 target true-up**
- 3. Expanding finance product offerings**
- 4. Potential study preliminary work**
- 5. National Grid Rate Case, Docket #4770 /4780**



Support Education & Awareness of benefits of EE

Related budgeted tasks: EERMC Communications subgroup support, coordination & participation; 2018 Annual Report to General Assembly; Represent EERMC in stakeholder forums on program enhancements

Objective: To supplement legislatively directed roles for the EERMC to “Promote public understanding of energy issues and of ways in which energy efficiency, energy conservation, and energy resource diversification and management can be effectuated,” through support for a group of stakeholders that have begun meeting to coordinate and leverage activities to provide information on the benefits of EE to residents, business and legislators.

New task: Support the group via meeting logistics (scheduling, agendas, notes), strategy development and activity planning, and general input reflecting EERMC objectives through planned bi-weekly or monthly meetings and related activities. Primary staff: Rachel Sholly, Mike Guerard, Mark Kravatz.

Estimated budget: Average 18 hours/mo. @ \$180 from February - December = \$35,640 (198 hrs x \$180)



Innovation / 2019 targets “true-up”

Related budgeted tasks: 2019 EE Plan development; Jurisdiction comparisons; Research on broader energy issues (pilots and demonstration project review); EMV

Objective: To fully vet innovation tied to approaching the 25,000 MWh “innovation” line item in the 2019 targets, additional efforts will likely be required given the continuing rapid evolution of the market for measures, program delivery options and regional/national research activities.

New task: The C-Team proposes to coordinate with National Grid and stakeholders to revisit the planning approach used to develop the 3-year targets, and to closely review and analyze the pending finalization of potential studies being conducted in MA, and to access our deep bench of subject matter experts to assure all cost-effective innovation is included in the 2019 EE Plan. Primary staff: Program Strategy & Innovation Team.

Estimated budget: Average 24 hours/mo. @ \$180 from March – October in support of 2019 EE Plan submittal on 10/15 = \$34,560 (192 hrs x \$180)



Expanding finance product offerings

Related budgeted tasks: 2019 EE Plan development; Jurisdiction comparisons; EMV

Objective: As part of EERMC objective to support cost-efficiency and participant equity, evolving and adding effective financing options is critical. RIIB plans to introduce a residential program that will need to align with the existing HEAT loan to achieve effective integration and avoid market confusion. Additionally, National Grid is proposing additional C&I loan options that will need to be balanced with RIIB's C-PACE product and the existing revolving loan funds.

New task: The C-Team proposes to expand its coordination with RIIB, National Grid and stakeholders to support the alignment of finance products to minimize market confusion while maximizing viable options and uptake over multiple customer segments through research, meetings and reporting to the EERMC, PUC and key stakeholders. Primary staff: Sam Ross, Mike Guerard and other C-Team subject matter experts.

Estimated budget: Average 12 hours/mo. @ \$170 from March – October = \$16,320 (96 hrs x \$170)



Potential study preliminary work

Related budgeted tasks: EMV; EERMC vendor oversight; Policy tasks

Objective: The EERMC's proposed overall budget for 2018 includes a line item for \$70,000 to start developing the research and analysis that would result in an effective Achievable Potential Study to inform 2021-2023 targets. This supplements ~\$185,000 National Grid will spend in 2018 for primary data collection for the potential study. A plan to support the sequencing and launch of the potential study is required to meet the deadline of early 2020 for completion.

New task: Based on preliminary discussions, an RFP for this work may not be required until early 2019, but the planning for the EERMC-issued RFP and associated scope of work, and coordination with 2018 activities that will support it will require C-Team input and support in close coordination with OER and National Grid. This will include regular reports and presentations to the EERMC. Primary staff: Jeff Loiter, Craig Johnson and other subject matter experts.

Estimated budget: Average 12 hours/mo. @ \$170 from May – December = \$16,320 (96 hrs x \$170)



National Grid Rate & PST Cases, Dockets #4770 & 4780

Related budgeted tasks: Policy tasks

Objective: The two dockets before the PUC will have wide ranging impacts on energy supply and distribution costs, and will likely have impact on LCP objectives, especially performance incentives and low-income rates/services. Monitoring the range of impacts, and supporting input from OER and the Division (interveners in the dockets) would be a valuable activity to support the interests of the EERMC, as was done in the past on Docket #4600.

New task: As an initial step to supplement core work in monitoring PUC docket activity, the C-Team will review submittals to the PUC (Intervener Information Request & Grid responses) and relevant open meetings to identify potential intersections with LCP. Reporting via memo(s) and presentations to the EERMC will be provided at key junctures of the proceedings. Primary staff: Jeff Loiter, Kate Desrochers, Mike Guerard

Estimated budget: Average 16 hours/mo. @ \$180 from March – August = \$17,280 (96 hrs x \$180)



Timelines & Budget Summary

Summary Tasks	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Support Education & Awareness of benefits of EE												
Innovation / 2019 targets “true-up”												
Expanding finance product offerings												
Potential study preliminary work												
National Grid Rate & PST Cases, Dockets #4770 & 4780												

	Est. Hrs	Avg. rate	Total cap
Support Education & Awareness of benefits of EE	198	\$180	\$ 35,640
Innovation / 2019 targets “true-up”	192	\$180	\$ 34,560
Expanding finance product offerings	96	\$170	\$ 16,320
Potential study preliminary work	96	\$170	\$ 16,320
National Grid Rate & PST Cases, Dockets #4770 & 4780	96	\$180	\$ 17,280
	678		\$ 120,120

All supplemental tasks will be tracked and billed separately. The C-Team will only bill for hours needed to fulfill tasks. Estimated budget is presented as a not-to-exceed cap.



Comparison to recent past

	Core	Supplemental	Total
2015	\$ 702,000	\$ 80,000	\$ 782,000
2016	\$ 775,450	\$ 55,000	\$ 830,450
2017	\$ 778,990	\$ 130,840	\$ 909,830
2018	\$ 615,000	\$ 120,120	\$ 735,120

Supplemental items:

2015	1st Retreat; Finance expert oversight; Docket #4568
2016	LCP Standards acceleration; 2nd Retreat; Docket #4600
2017	EERMC Website; Intern; DR; "Teaching & Learning"
2018	Broaden Education; Innovation; Financing; Potential Study; PUC