



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

CONSULTANT TEAM

EERMC Priorities 2024-2026 Plan Priorities

Presented By: EERMC C-Team

Date: January 19, 2023





Priorities Development Process

The Consultant Team synthesized Council recommendations into a set of proposed *2024-2026 EE Plan* priorities*, which were presented and discussed during the December 2022 EERMC Meeting




The Priorities memo was expanded to include discrete recommendations on implementation strategy for each priority

- This provides clear guidance to the Company on how to fulfill each EERMC priority area

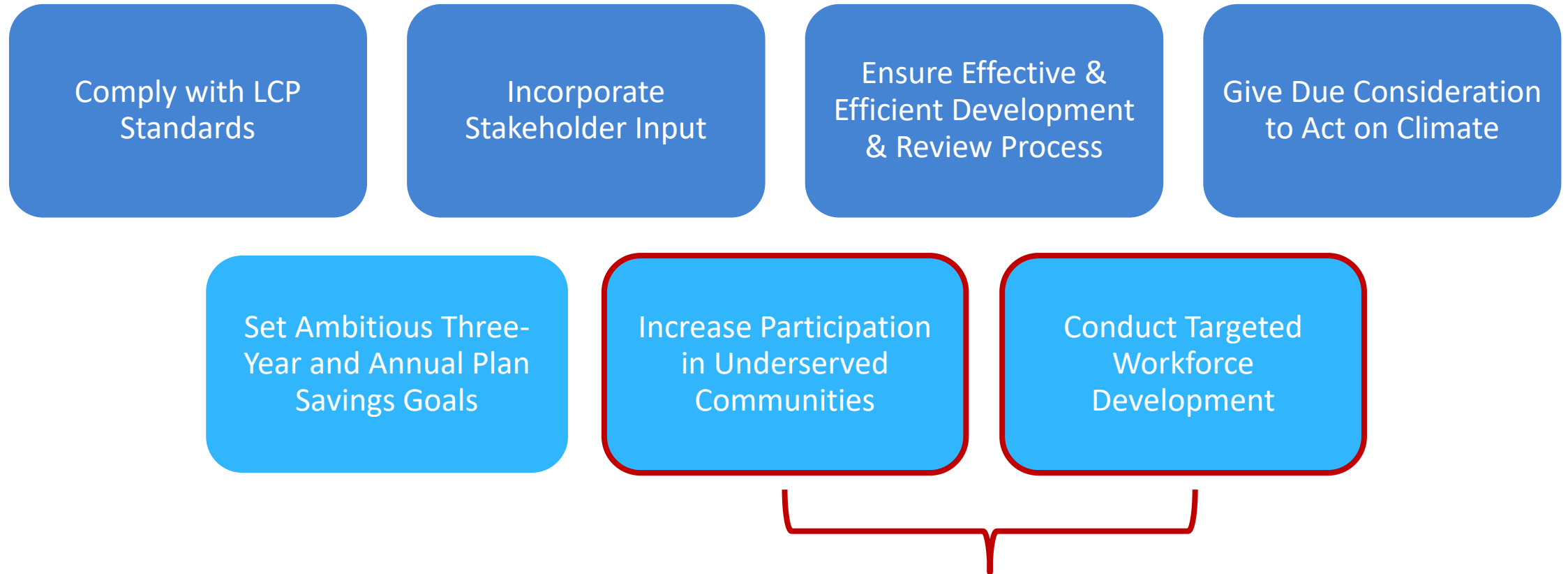
Context regarding the Council’s focus on achieving equitable program outcomes and statewide climate goals was added

*Includes both the 2024 EE Annual Plan and 2024-2026 EE Three-Year Plan**



-  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



Next Steps

January – Council receives and discusses First Draft EE Priorities

- Opportunity for Council feedback and briefing sessions with the C-Team

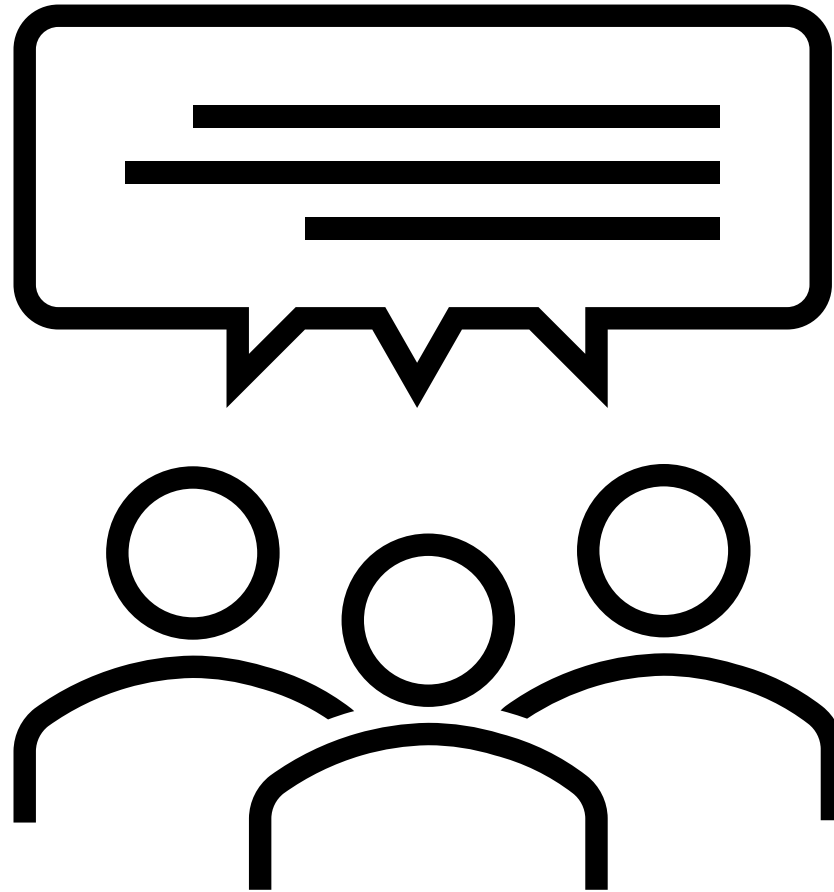
February/March – Council discusses, refines & votes on EE Priorities

March – C-Team presents EE Priorities to EE TWG

April – RI Energy releases 2024-2026 Three-Year Plan Outline Memo



Council Member Discussion





APPENDIX





2024-2026 EE/SRP 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

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

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 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 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

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.



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

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?*