

Definitions

This attachment provides a reference to commonly used terms in the Three-Year and Annual Energy Efficiency Plans.

Assessment

An assessment tests a measure, a bundle of measures, or a solution that can be delivered as part of an existing program where the savings are unknown but will be explored as part of the assessment through independent evaluation or a vendor evaluation. The scope of evaluation for an assessment depends on the specifics of the assessment. Assessments are not included in the calculation of the performance incentive.

Customer Contribution/Customer Cost

The financial cost of a measure and/or service that is not covered by the customer incentive.

Customer Incentive

Financial support and/or services (e.g., rebates, on-bill repayment) provided to participants in attempt to motivate the installation of measures and/or changes in behavior to achieve energy savings.

On-Bill Repayment (OBR)

A financial mechanism that allows customers to pay back the customer contribution/customer cost of a measure and/or service on their energy bill.

Demand Response

Active Demand Response: The reduction or shifting of energy use by customers during peak periods or events when the load on the electric grid or gas distribution system is high.

Passive Demand Response: Energy efficiency measures that permanently shift or reduce electricity use at all times, contributing to a reduction of peak load.

Demonstration

A demonstration tests a new technology or solution delivered as part of an existing program where a technical analysis has estimated the savings and determined that the measure is likely to be cost effective. A technology tested through a demonstration may become offered by that program.

Demonstrations are included in the calculation of the performance incentive.

Evaluation

Independent Evaluation: An independent evaluation uses a third-party evaluation vendor selected via a competitive Request for Proposals process for the specified evaluation or selected in the recent past for evaluation services of efficiency programs. An independent evaluation can be both a process and an impact evaluation.

Vendor Evaluation: A vendor evaluation is conducted by a vendor installing a technology, measure, strategy, or solution. A vendor evaluation can also be conducted by a Technical Assistance vendor who conducts a savings analysis for the installed technology, measure, or an energy saving strategy. A vendor evaluation can only be an impact evaluation.

Goals

Goals refer to National Grid's three-year energy efficiency savings goals.

Market Potential Study

A market potential study is a detailed assessment of the energy efficiency potential in given market. In this Plan, the term is used in reference to the 2020 Rhode Island Energy Efficiency Market Potential Study.

Non-Energy Impacts

Non-energy impacts (NEIs) are those other than the energy and demand savings generated by efficiency programs. Non-energy impacts accrue to program participants (e.g. increased comfort and health, improved property values), society at large (e.g. greenhouse gas reductions, improved air quality), and the utility system (e.g. Reduced arrearages).

Non-Participant

A customer that does not directly participate in an efficiency program.

Participant

A customer that reduces or otherwise modifies their energy end use patterns due to involvement in an efficiency program. Participation is measured differently in different programs. For several programs, a participant is defined as a customer account (electric or gas). In contrast, the Residential Consumer Products program measures participation by the number of rebates processed.

Pilots

A small scale, targeted program that is limited in scope, time, and spending and is designed to test the feasibility of a future program or rate design not currently included in the core energy efficiency programs. Ideally, a pilot provides net benefits and helps achieve savings goals, but the primary design and value of a pilot is to test rather than to achieve. If a pilot is successful for commercialization, new programs and measures may be added to existing core programs. Pilots are not included in the calculation of the performance incentive.

Portfolio

A collection of programs. The electric portfolio contains programs that primarily focus on delivering electricity savings and the natural gas portfolio contains programs that primarily focus on delivering natural gas savings. A portfolio is required to be cost-effective.

Program

A collection of defined services and/or measures carried out by National Grid and/or its vendors and subcontractors that: target a specific market segment, customer class, or defined end use; are designed to influence customer behavior to achieve changes in energy usage, equipment preferences, investment, and maintenance practices; and are guided by a specific savings goal and have a benefit-cost ratio. Programs are typically made up of the following categories that contribute to the overall program savings goals and benefit-cost ratios.

Sub-Program

Within the Commercial and Industrial Sector, a sub-program is a further grouping of measures within a program. An example is the upstream lighting sub-program within the Commercial and Industrial Sector.

Measure

A piece of equipment or customer action that reduces or otherwise modifies energy end use patterns. This is the most granular level of categorization. For example, an LED light bulb.

Comprehensive Measures: When a customer employs multiple pieces of equipment or actions that reduce or otherwise modify energy use at the same time, more fully taking advantage of energy savings opportunities at one time rather than completing piecemeal projects.

Measure Group

A group of measures with similar characteristics within a program. For example, the measure group LED in the Residential lighting program includes several types of LED light bulbs and the Compressed Air measure group within the Large Commercial New Construction program contains all the compressed air measures within that program.

Services

A range of activities to support customer awareness, education, and adoption of energy saving and energy modification opportunities including free technical assistance, training, analysis, and reports.

Initiative

A “go to market” strategy within a program that promotes a subset of measures or services within that program and/or targets a certain segment of customers. For example, the Grocery Initiative within the Large Commercial and Industrial Retrofit Program.

[Assessment defined above.](#)

[Demonstration defined above.](#)

Performance Incentive

A financial incentive that the Company has an opportunity to earn based on performance in fulfilling the savings goals of the approved Annual Plan. The Performance Incentive is authorized and established through Annual Energy Efficiency Plans by R.I. Gen. Laws § 39-1-27.7(e) and § 39-1-27.7.1.

Rebate

A financial incentive paid to a participant in order to obtain a specific action, typically the installation of equipment. A rebate can also be paid to manufacturers and suppliers of measures to lower the price at the point of sale to the customer.

Savings

Annual Savings: Energy savings accrued annually from the installed measure(s).

Lifetime Savings: Energy savings accrued over the functional lifetime of the installed measure(s).

Sector

A grouping of participants by customer rate class. Programs are organized by these groupings. There are three sectors: Residential, Income-Eligible, and Commercial and Industrial.

Targets

Targets refer to the three-year energy efficiency savings targets approved by the PUC.

Technical Assistance (TA) Study

A technical assistance study assesses a measure or group of measures for savings and costs and is performed by a third-party technical assistance vendor. A TA study quantifies electric and gas savings, along with delivered fuel and non-energy impacts. TA studies include some or all of the following activities: facility benchmarking and/or walkthrough, equipment metering or analysis of building energy management system data, determination of measure baseline, engineering analysis of the operation of the baseline, and proposed measures and building energy simulations. The TA vendor performs a benefit-cost screening to assess the estimated payback for the customer along with the impact of costs and savings. A TA study report is presented to the customer which outlines the methodology followed to determine estimated project savings, cost, and project payback, along with the results of the study.

Technical Assessment

A technical assessment is engineering research conducted to determine the savings of a new technology or measure that may not be widely adopted in the market.

This section has been prepared pursuant to Section 1.3(C) and 3.2(N) of the Least Cost Procurement Standards as approved and adopted pursuant to Order No. 23890 in Docket No. 5015¹ (referred to herein as the “LCP Standards”), and in alignment with the Rhode Island Benefit Cost Test (RI Test) as defined by the Standards and the Docket 4600 Benefit-Cost Framework.

The source for many of the avoided cost value components is “Avoided Energy Supply Components in New England: 2018 Report” (2018 AESC Study) prepared by Synapse Energy Economics for AESC 2018 Study Group, as Amended on October 24, 2018. This report was sponsored by all the electric and gas efficiency program administrators in New England and is designed to be used for cost effectiveness screening in 2019 through 2021. The avoided costs from this study are also used in the 2021 – 2023 Three Year Energy Efficiency Plan.

National Grid anticipates that an update will be made prior to the 2022 Annual Energy Efficiency Plan to incorporate an updated set of avoided costs from the regional avoided cost study (AESC 2021) that is ongoing at the time of this plan and is anticipated to be completed by early 2021. Additional benefits and costs may be added in future Annual Plans and the component values may be updated over the course of the three year period based on the availability of new study results. Future updates to inputs and values will be included in future Annual Plan filings.

¹ RI PUC Docket 5015, Least Cost Procurement Standards

http://www.ripuc.ri.gov/eventsactions/docket/5015_LCP_Standards_05_28_2020_8.21.2020%20Clean%20Copy%20FINAL.pdf