



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

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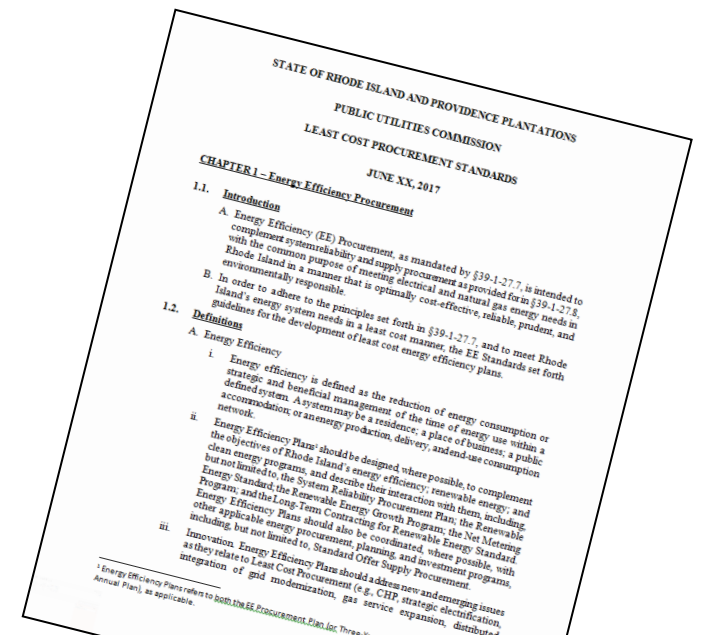
# Energy Efficiency Program Planning & Cost-effectiveness Analytical Components: Recap of 2017 Retreat





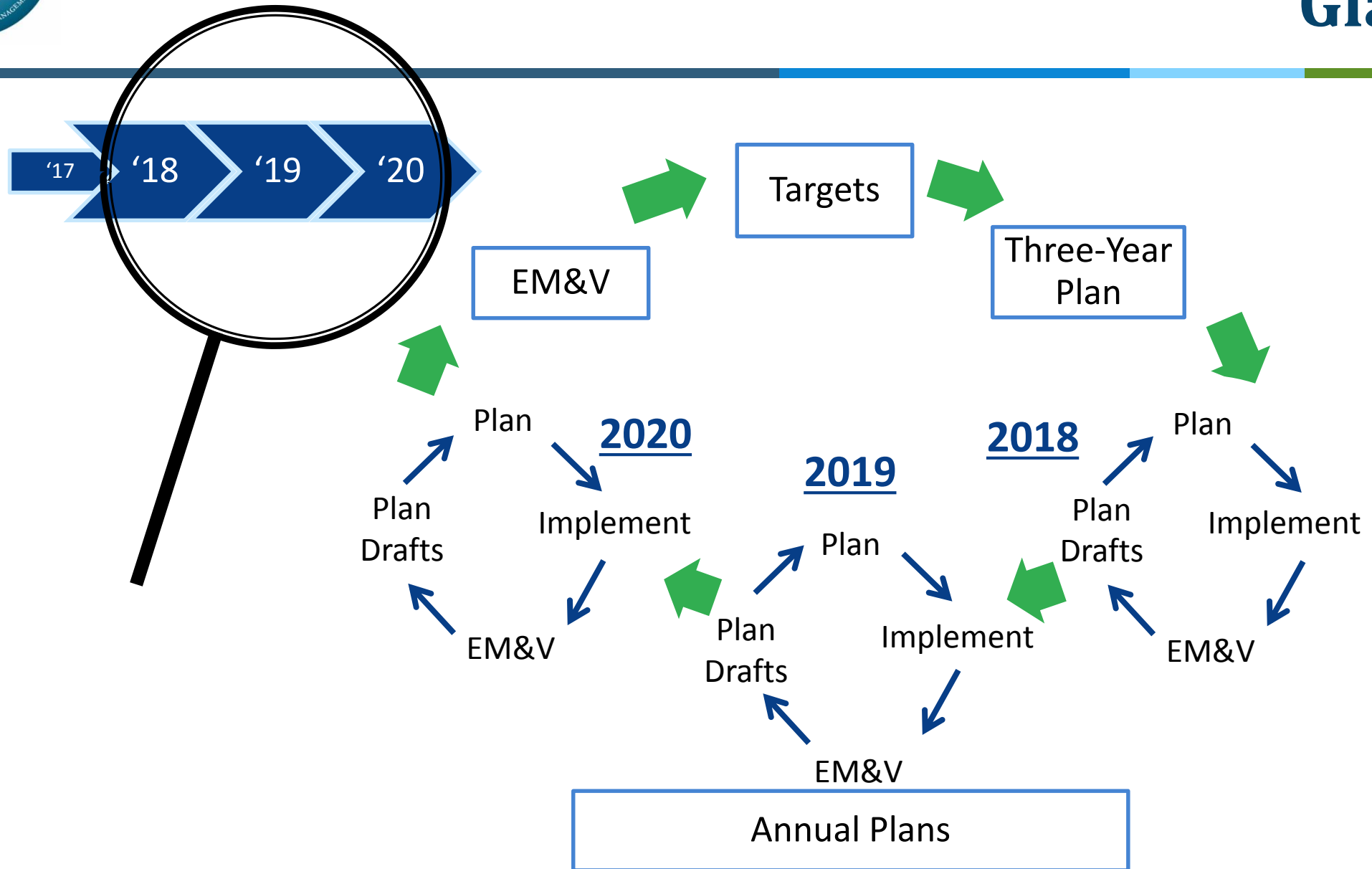
# Least Cost Procurement Standards

- About: The Standards are guidelines for least cost energy efficiency plans.
- Last updated: June, 2017
- Prescribed guidelines for:



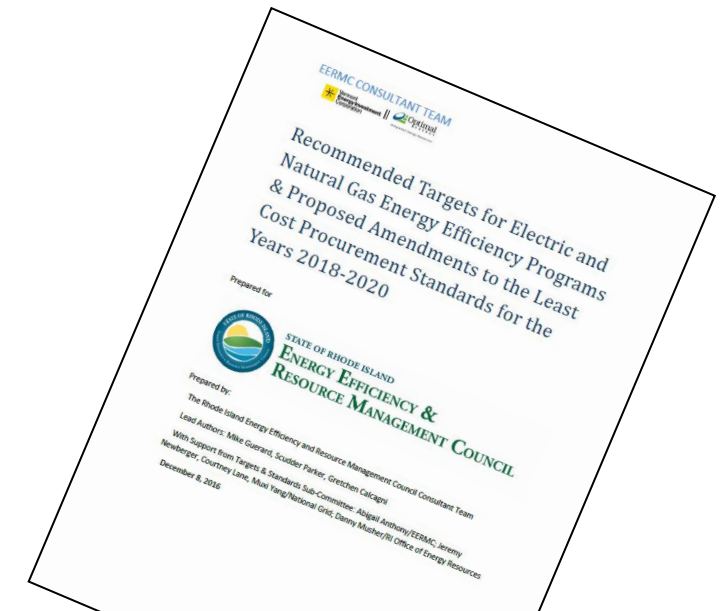
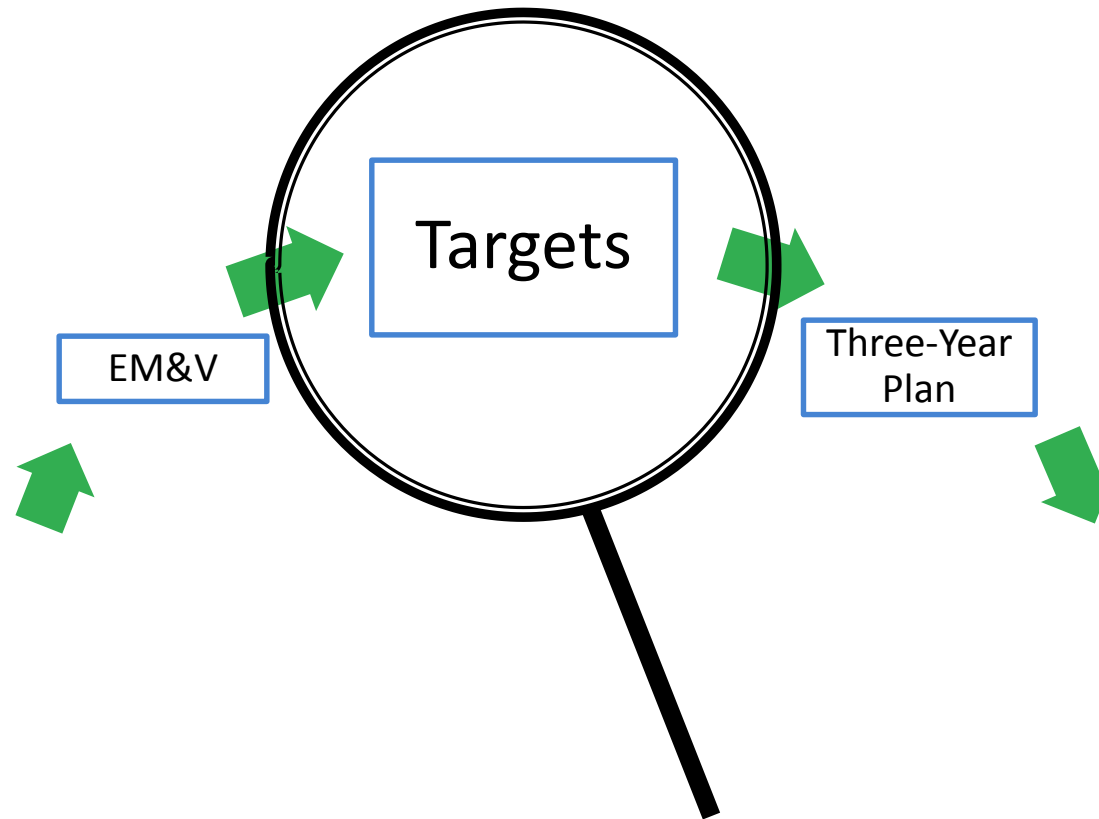


# The Three-Year Planning Process At a Glance





# Setting Energy Savings Targets





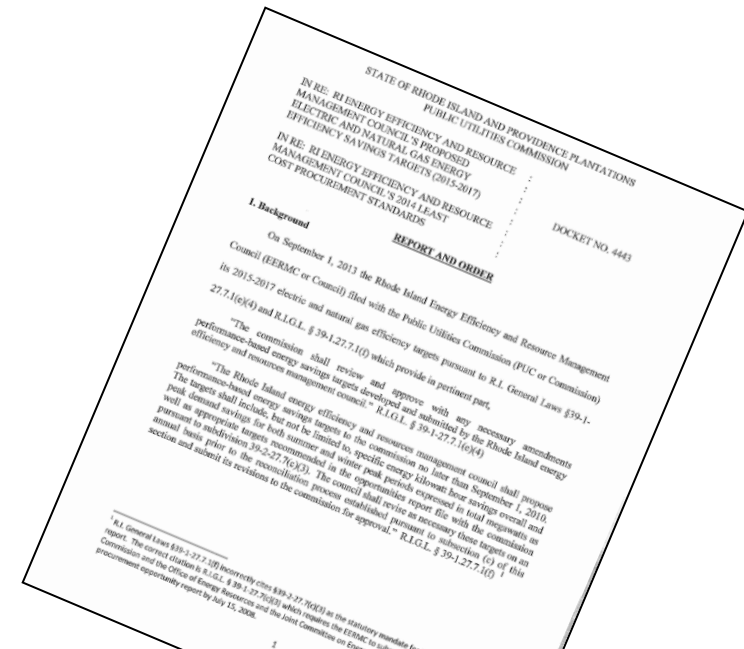
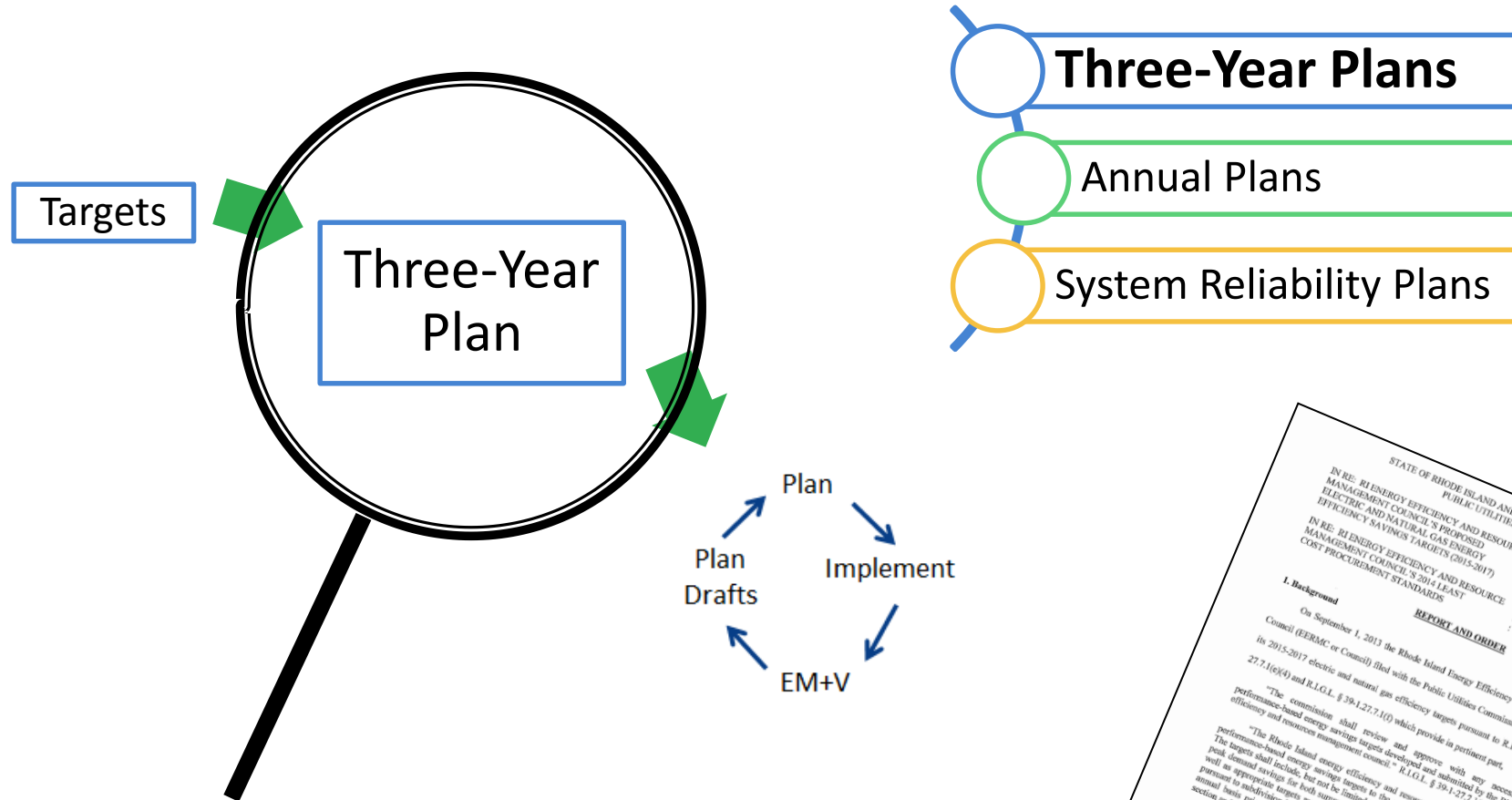
# Setting Energy Savings Targets

- First step of the 3-year planning process.
- EERMC responsible for drafting and filing with the PUC
  - Works closely with N-Grid, OER, and Collaborative.
- Targets are set on a triennial basis and are completed a year in advance of a completed 3-year plan.
- Targets cost-effective potential and proposes energy savings targets for PUC consideration.
- Targets are developed to serve as guideposts as the utility develops its 3-Year Plan and more detailed Annual Plans.





# The Three-Year Plan





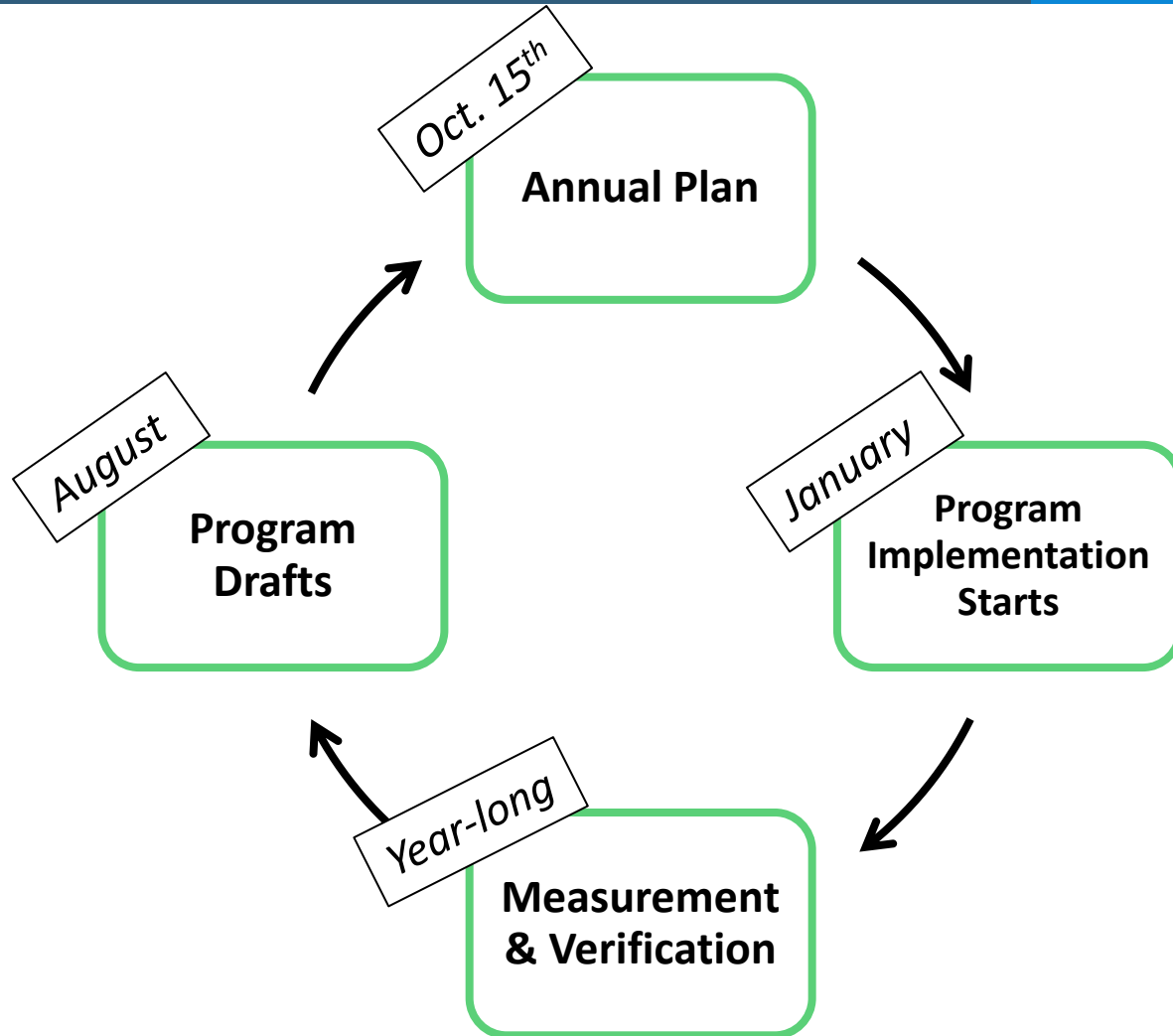
# The Three-Year Plan

- Due Triennially on September 1<sup>st</sup>.
- N-Grid is responsible for drafting and filing.
  - N-Grid Works closely with EERMC, C-Team, OER, and the Collaborative to draft the Plan.
- Primary Sections of the Plan:

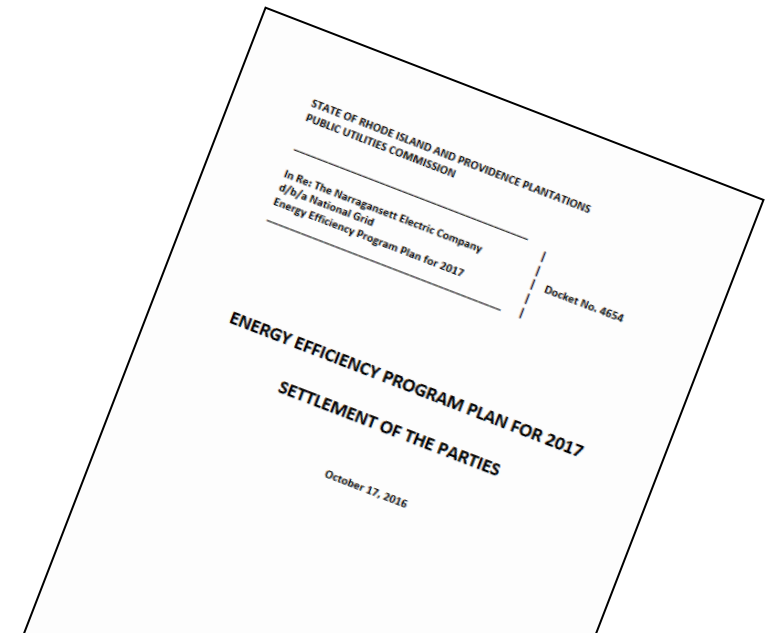




# The Annual Planning Process At a Glance



- Three-Year Plans
- Annual Plans**
- System Reliability Plans

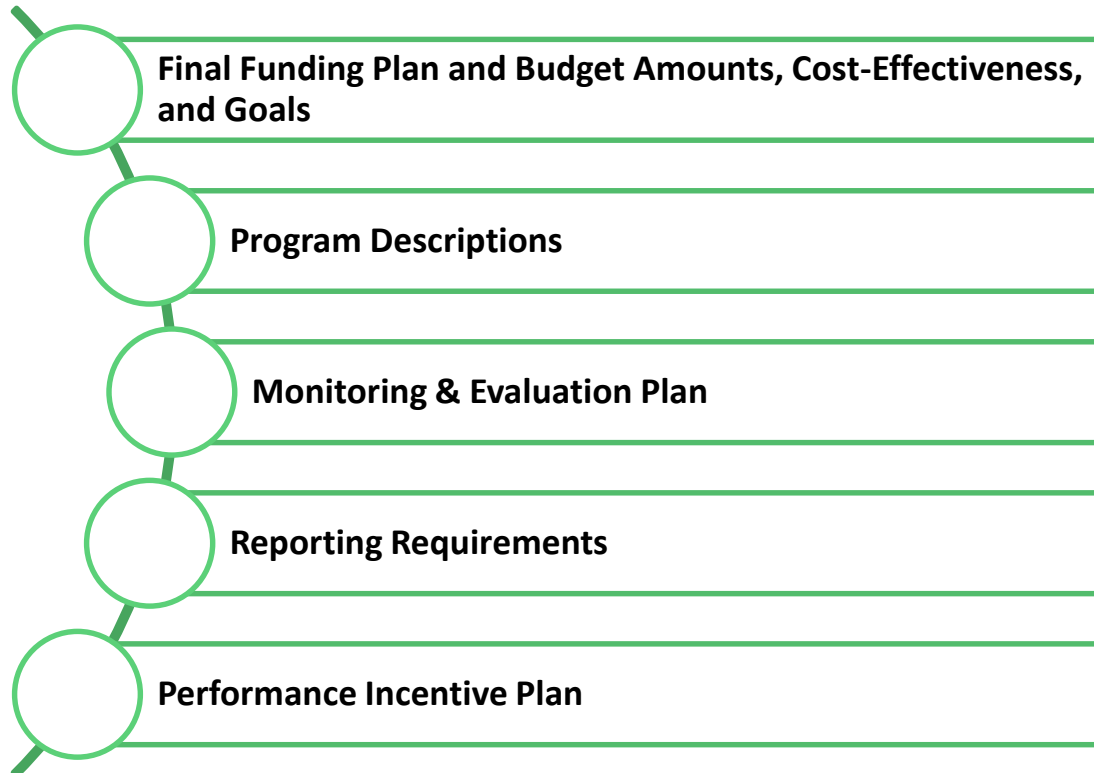






# The Annual Plan

- Due on October 15<sup>th</sup>\*
- National Grid responsible for drafting and filing.
  - Works closely with EERMC, C-Team, OER, and Collaborative.
- Primary Sections of the plan:



\* Due Nov. 1<sup>st</sup>  
when falling on  
a Three-year  
planning year.



# Key Factors that Inform the Annual Plan

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- Targets
- The Rhode Island Benefit-Cost Test (aka: The “Rhode Island Test”)
- Program evaluations and pilots
- Evolving markets
- New and/ or improved technologies
- State policy objectives



# Highlights of the Annual Plan

- Portfolios are required to be cost-effective. Programs should be cost-effective.
- “Rough parity” should be maintained between Residential and C&I.
- Budget to show:
  - Projected costs,
  - Benefits and energy savings goals of each program,
  - Total Resource Cost of efficiency resources.
- Identify energy cost savings and bill impacts that Rhode Islanders will realize.
- The EERMC shall take a leadership role in ensuring that Rhode Island ratepayers receive excellent value from the Three-Year Plan being implemented on their behalf.



# The Collaborative

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- The Collaborative has been meeting regularly since 1991 to analyze and inform the National Grid's electric and gas energy efficiency program planning processes including the Annual and Three-year Plans.
- Members presently include National Grid, the Division, PP&L, TEC-RI, Acadia Center, and other stakeholders.
- In addition, the OER and several EERMC members and representatives from the EERMC's Consulting Team participate in the Collaborative group.

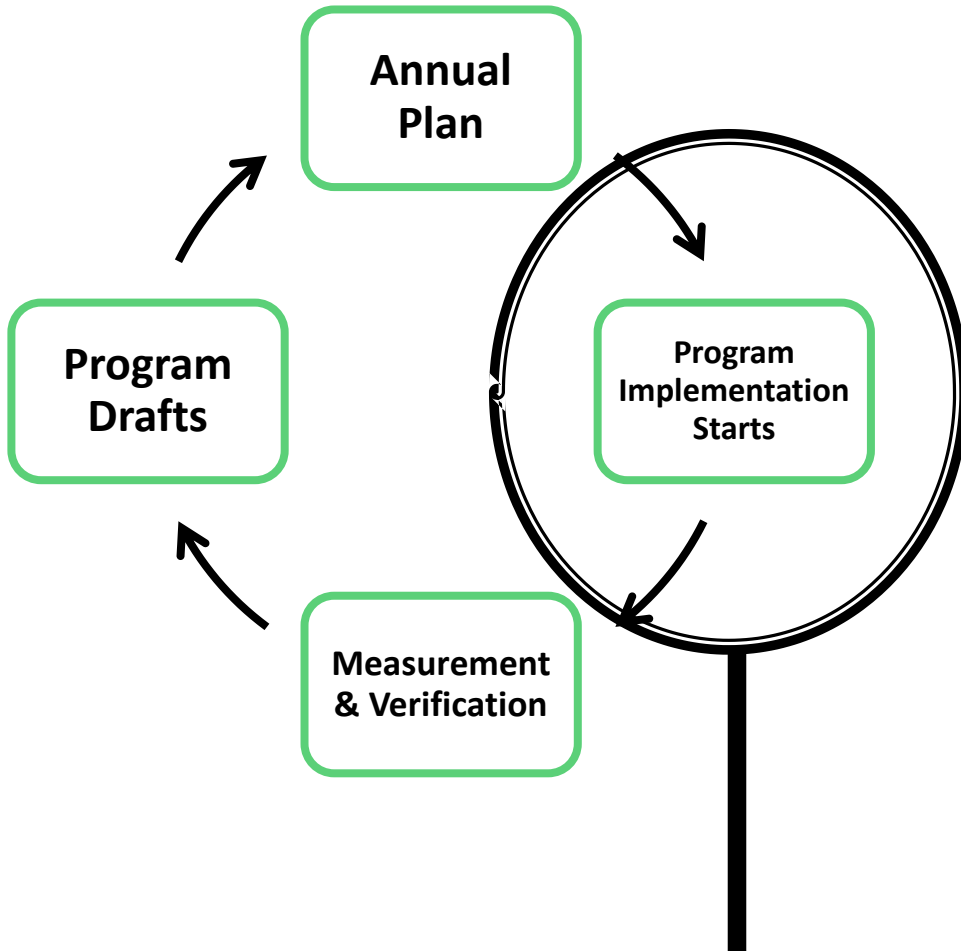


# The Role of the EERMC

- The Role of the EERMC for the three year and annual planning process:
  - Review/ provide Input on Plan drafts
  - Work with C-team to understand key topics/ issues
  - Develop and submit cost-effectiveness memo to the PUC
  - Sign on to the “Settlement of the Parties” (i.e. The Plan)



# Program Implementation



- Program implementation runs on a calendar year (Jan. – Dec.).
- National Grid, EERMC C-team, and OER meet monthly to:
  - Review program progress,
  - identify any types of program issues,
  - assure programs are moving along in a timely fashion, and
  - discuss strategies to continually improve programs.

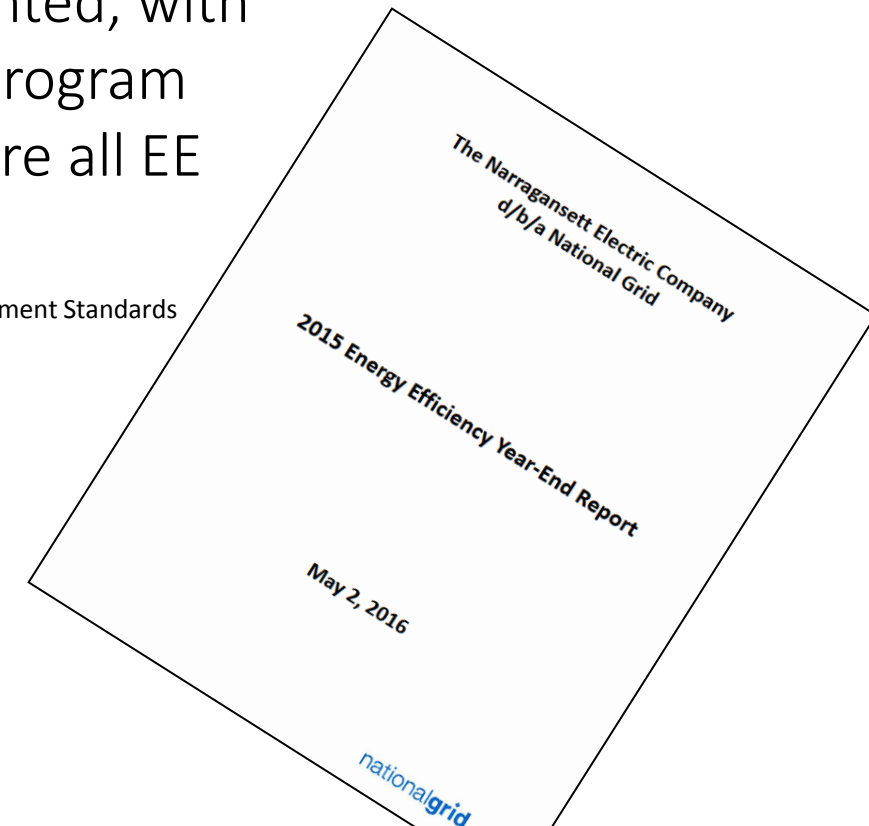


# Program Reporting

- “The distribution company, in consultation with the Council, will propose the content to be reported and a reporting format that is designed to communicate clearly and effectively the benefits of the efforts planned and implemented, with particular focus on energy cost savings and program participation levels across all sectors, to secure all EE resources that are lower cost than supply.”

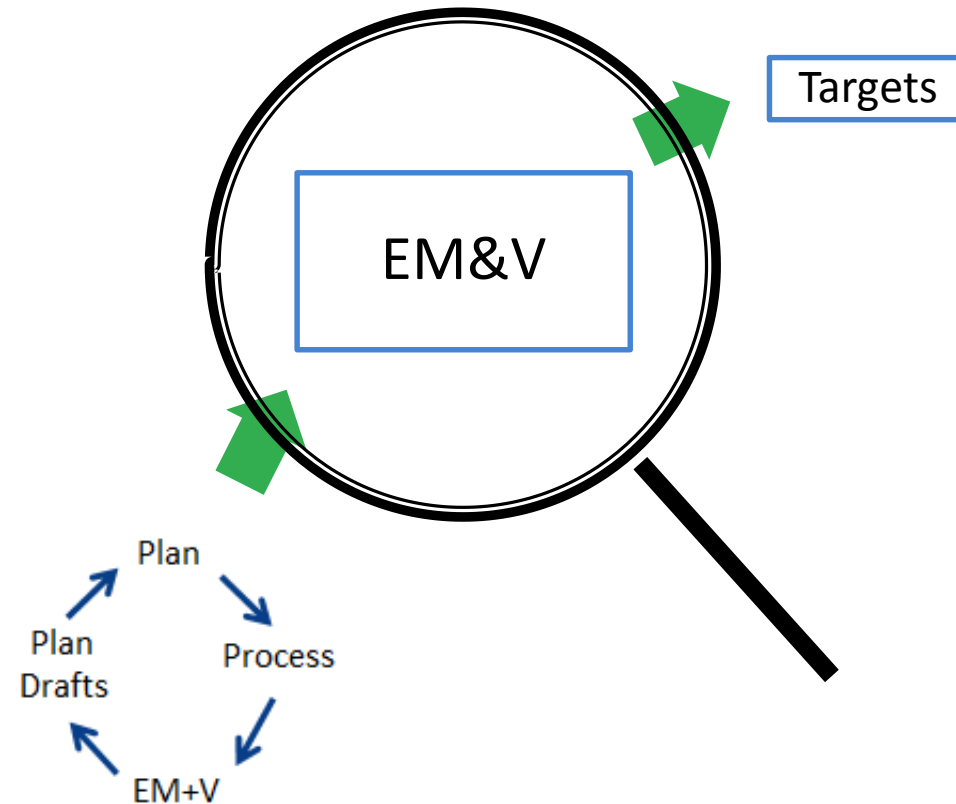
Source: Least Cost Procurement Standards

- Quarterly, and Annual Reporting





# Evaluation, Measurement, & Verification (EM&V)





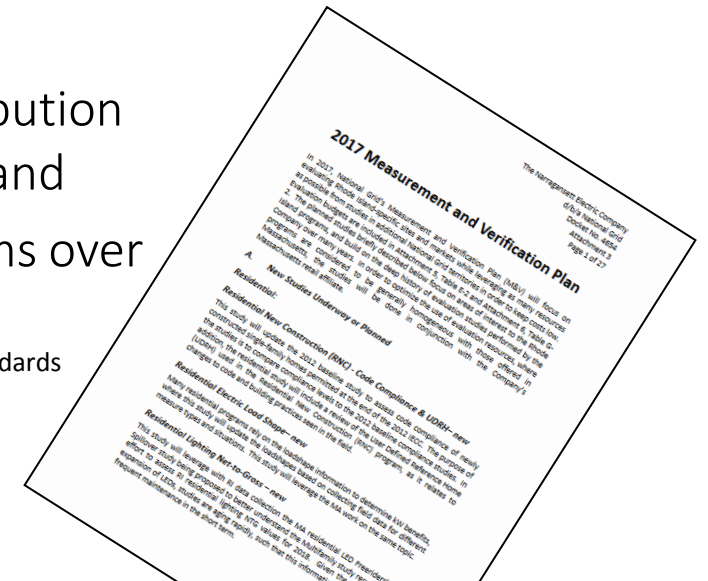


# Rhode Island Measurement and Verification Plan

This **Measurement and Verification (M&V) Plan** shall address:

- Savings verification, including where appropriate analysis of customer usage.
- Verification should also facilitate participation in ISO-NE's forward capacity market;
- Issues of ongoing program design and effectiveness;
- Efforts related to market assessment and methodologies to claim savings from market effects, among others;
- Regional and other cooperative M&E efforts the distribution company is participating in, or plans to participate in; and
- Longer-term studies, as appropriate, to assess programs over time.

Source: Least Cost Procurement Standards





# System Reliability Plan

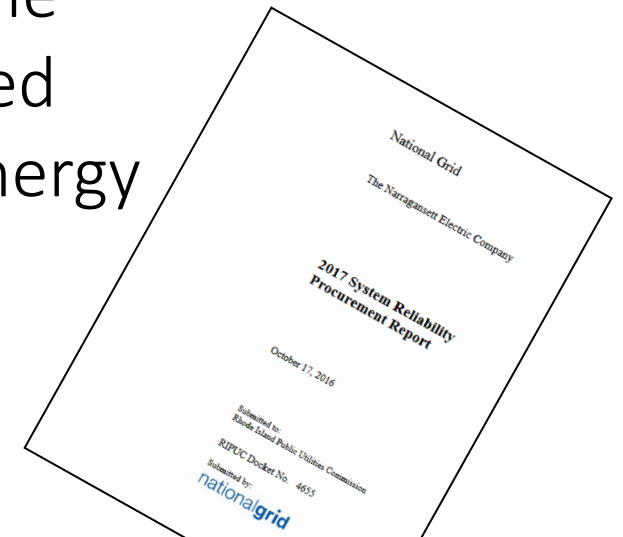
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# System Reliability Procurement (SRP) Plan

- Due Annually and Triennially.
- National Grid responsible for drafting and filing
  - Works closely with EERMC, C-Team, OER, and Collaborative
- Described in Chapter 2 of the Least-Cost Procurement Standards.
- The SRP Standards set forth guidelines for the incorporation of energy efficiency, distributed generation, demand response, and other energy technologies (collectively referred to as “non-wires alternatives” or NWA) into N-Grid planning.





# ACTIVITY

