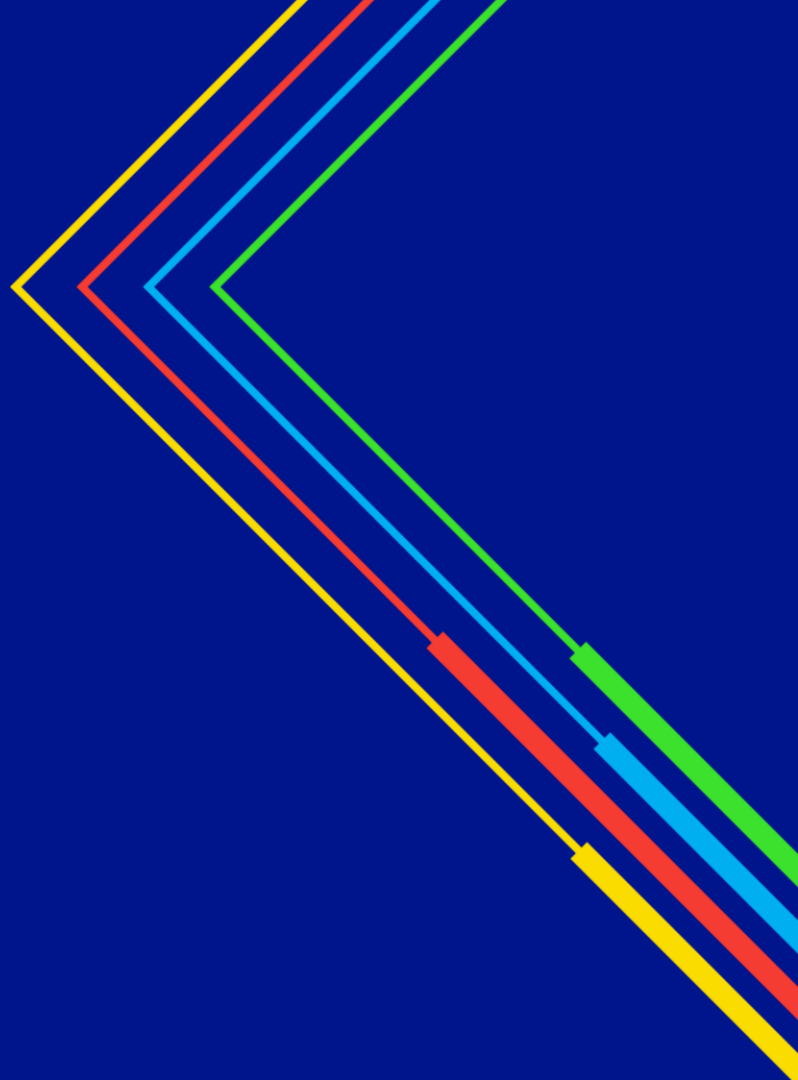


# 2020 System Reliability Procurement

**Third Draft**

EERMC: September 19, 2019



# Purpose of SRP

To identify targeted alternative solutions, through **customer-side and grid-side opportunities**, for the electric distribution system that are **cost-effective**, **reliable**, **prudent**, and **environmentally responsible**, and provide the path to **lower supply and delivery costs** to customers in Rhode Island.

- The Company primarily carries this out through the proposal and implementation of **Non-Wires Alternative (NWA) projects** in SRP.
- **NWA** is the inclusive term for any **electrical grid investment** that **defers or removes the need** to construct or upgrade an electrical system.

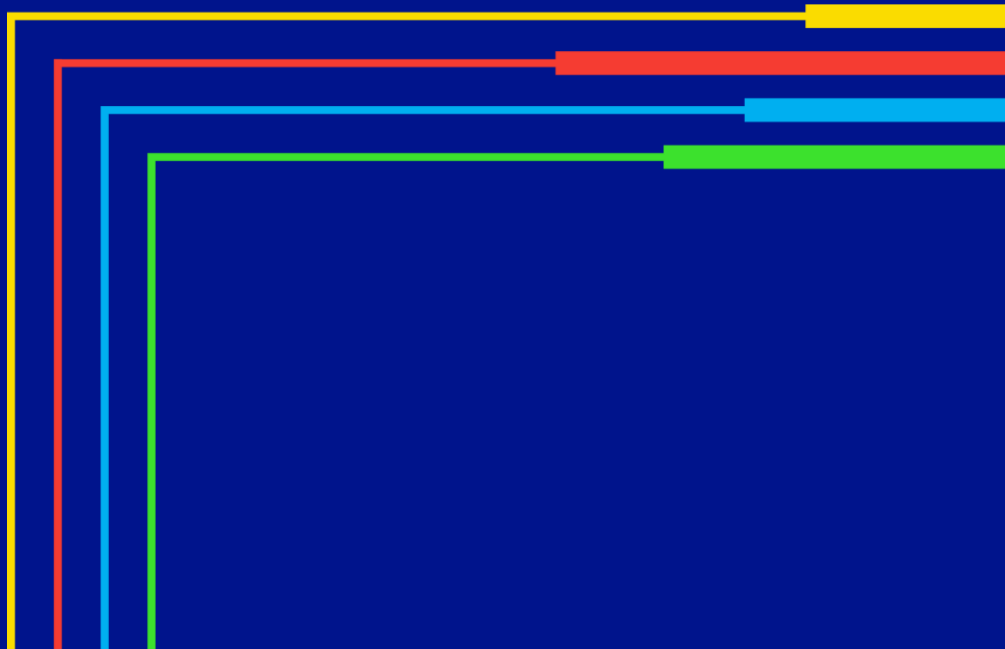
NWAs are the core component of SRP

# Major Revisions to Third Draft

- Executive Summary now includes high-level proposal and funding request info and list of Company commitments
- Inclusion of commitment to perform background research on Non-Pipeline Alternatives (NPAs)
- Section 4 Funding Request table modified for deeper detail
- Section 6 Docket 4600 table now specific to 2020 proposals
- Section 8 NWAs in System Planning reworked for clarity on planning process
- Section 8.1 now details active area studies and reevaluated opportunities
- Section 9 updated to detail NWA opportunities status and path forward

# 2020 SRP Report

## Proposals and Commitments



# Executive Summary

## List of Commitments

- Table 2 contains list of 11 formal Company commitments.
- Summarizes what the Company “commits”, “intends”, or “plans” to do for CY 2020 throughout the SRP Report.
- These commitments do not require additional SRP funding.

# 2020 SRP Report Proposals

2020 SRP Report: Proposals			
SRP Section	SRP Proposal	Proposal for Action?	Funding Request?
5	SRP Incentive Mechanism	No	Yes
9	South County East NWA Projects	Yes	No
10	Rhode Island System Data Portal	Yes	No
11	SRP Market Engagement	Yes	Yes

# SRP Incentive Mechanism

## 2018 Action-Based Earnings

- The Company requests approval for \$11,865 of proposed earnings for actions completed in CY 2018.

## 2020 Savings-Based Incentive

- There is no proposal for savings-based earnings in 2020 as there are no new NWA proposals.

# South County East NWAs

Result of NWA RFP process: no submitted bids passed NWA evaluation.

No NWA project proposals for 2020, funding request is \$0 for CY 2020.

## Narragansett 42F1 NWA and South Kingstown NWA

- The Company is still actively seeking potential NWA solutions for these opportunities.

## Narragansett 17F2 NWA

- Window of opportunity closed. Company to proceed with the wires option.



# Rhode Island System Data Portal

## Enhancing the Portal

- The Company commits to coordination work with the Company's proposed Grid Modernization Plan regarding inclusion of hourly (8,760 hours) data in addition to peak load data if the Grid Modernization Plan with this update is approved for funding.
- This commitment does not require additional SRP funding.

# SRP Market Engagement

## SRP Outreach and Engagement Plan

- The Company requests approval for \$69,370 to support SRP Market Engagement in CY 2020.
- SRP Outreach and Engagement Plan will support market engagement for the Rhode Island System Data Portal.

# 2020 SRP Report Funding Request

SRP Section	SRP Initiative/Proposal	Cost
5.3	SRP Incentive Mechanism, 2018 Action-Based Earnings	\$11,865
5.4	SRP Incentive Mechanism, 2020 Savings-Based Earnings	\$0
9.2	Narragansett 42F1 NWA Project	\$0
9.3	Narragansett 17F2 NWA Project	\$0
9.4	South Kingstown NWA Project	\$0
10	Rhode Island System Data Portal	\$0
11	SRP Market Engagement	\$69,370
Total		\$81,235

# 2020 SRP Report Table S-1

<b>Table S-1 National Grid System Reliability Procurement Funding Sources \$(000)</b>	
	<b>2020</b>
<b>(1) 2020 SRP Budget:</b>	<b>\$81.2</b>
<b>(2) Projected Year-End Fund Balance and Interest:</b>	<b>-\$1,001.3</b>
<b>(3) Customer Funding Required:</b>	<b>\$1,082.6</b>
<b>(4) Forecasted kWh Sales:</b>	<b>7,113,299,305</b>
<b>(5) Proposed System Reliability Factor per kWh:</b>	<b>\$0.00015</b>
<b>(6) Energy Efficiency Program charge per kWh, excluding uncollectible recovery:</b>	<b>\$0.01324</b>
<b>(7) Total Proposed Energy Efficiency Charge per kWh, excluding uncollectible recovery:</b>	<b>\$0.01339</b>
<b>(8) Energy Efficiency Program Charge per kWh, including uncollectible recovery:</b>	<b>\$0.01356</b>

# Summary of the 2020 SRP Report



national**grid**