



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

CONSULTANT TEAM

2023 EE Plan Regulatory Proceedings Update

Presented By: EERMC C-Team

Date: November 17, 2022





Outline

Regulatory Schedule

Updates Since Council Vote

EERMC Pre-File Testimony

Summary of Data Requests

Council Discussion



REGULATORY SCHEDULE





Completed Items

- ☑ 9/30: 2023 Plan filed with PUC
- ☑ 10/12: EERMC files 2023 Plan Cost-Effectiveness Report with PUC
- ☑ 10/17: Deadline for parties to file motion to intervene
- ☑ 10/21: Deadline for objections to motions to intervene
- ☑ 10/26: EERMC testimony and documentation regarding budget
- ☑ 11/4: Intervenor's/Division's Pre-filed Testimony/Comments
- ☑ 11/14: RI Energy's Reply Testimony



Looking Forward

- Ongoing: Data requests
- 12/6: 2023 Plan Hearing
- 12/8: 2023 Plan Hearing, continued
- 12/16: 2023 Plan Hearing, continued



UPDATES SINCE COUNCIL VOTE





2023 EE Plan Updates

Gas Performance Incentive (PIM) Earnings Opportunity

- 2023 Plan proposed to exclude OER and Rhode Island Infrastructure Bank (RIIB) costs from PIM eligible benefits
- Correction in Gas Benefit Cost Ratio (BCR) model resulted in \$73,280 (+10%) increase in PIM earnings opportunity

Gas Home Energy Reports Program Benefits

- After 2023 Plan was filed, C-Team flagged an incorrectly used non-energy impact (NEI)
- Correction in Gas BCR model resulted in \$933k (-24.4%) reduction in program benefits
- RI Test BCR decreased from 10.63 to 8.04 which is still highly cost-effective

Technical Reference Manual

- Received after Council vote and plan filing on October 21st
- C-Team provided high-level review of key inputs for top measures
- Recommend a comprehensive TRM update for 2024-2026 Plan



2023 EE Plan Updates

Deferred use of Social Cost of Carbon (SCC)

- Filed plan utilized a hybrid approach of SCC (\$393/short ton) and Marginal Abatement Cost (MAC) (\$125/short ton)
- All GHG emissions reductions will be valued using MAC in 2023 Plan

Electric Small Business Direct Install

- RIE reply testimony indicated that deferred use of SCC along with other corrections to BCR model dropped program BCR slightly below 1.0
- RIE anticipates revisions to program will result in BCR above 1.0

Updated BCR models and corresponding Electric and Gas tables will be provided as part of the ongoing docket proceedings



EERMC PRE-FILED TESTIMONY





EERMC Pre-Filed Testimony Overview

C-Team worked with EERMC legal counsel and OER to file two sets of testimony with the PUC

EERMC Budget Development

– Filed October 26th

EERMC Plan Review Process

– Filed November 4th





EERMC Budget Development Testimony - Background

PUC Order on 2022 EE Plan directed Council to provide testimony related to its 2023 budget request

EERMC Counsel received guidance document from PUC to aid in development of testimony

C-Team coordinated with Chair and Vice-Chair, EERMC legal counsel, and OER to develop testimony, which was filed with the PUC on October 26th

Did not engage in content discussion at October Council meeting given timing of notice and deadline for filing



EERMC Budget Development Testimony - Questions

Questions related to EERMC processes

- Finalizing the 2022 budget
- Developing the 2023 budget proposal
- Budgeting approach for items that span multiple calendar years

Provided a budget table that included:

Budget Item	2022 Budget	2022 YTD Spend	Remaining Forecasted 2022 Spend	Forecasted 2022 Year-End Spend	Variance (\$)	Variance (%)	2023 Proposed Budget
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Questions following-up on budget table

- Explanation of variances between year-end forecast and 2022 budget that are greater than +/- 10%
- Explanation of increases/decreases in 2023 budget proposal compared to 2022 budget
- Description of new items contained in 2023 budget proposal



EERMC Plan Review Process Testimony – Background

Presented potential topics to cover in Plan Review testimony at October meeting

C-Team engaged with individual Councilors to define scope of testimony

C-Team coordinated with EERMC legal counsel to file with the PUC on November 4th



EERMC Plan Review Process Testimony - Questions

How did the EERMC engaged in the 2023 Energy Efficiency Plan development process?

How did the Council review the costs included in the 2023 Plan?

Describe Council review of the cost of carbon assumptions made in the 2023 Plan, and the Council's stance on use of the Social Cost of Carbon?

How did the Council review the 2023 Plan Technical Reference Manual (TRM) Database? What were key findings?



SUMMARY OF DATA REQUESTS





Summary of Data Requests

Nearly all data requests to date have been submitted by either the Division or the Commission to Rhode Island Energy

- 238 questions have been issued to RI Energy
- 2 questions have been issued to OER

Key Themes

- Program Budgets
- Carbon Benefits
- Avoided energy supply costs
- Home Energy Reports
- Income Eligible Single Family Appliance Management Program



Council Member Discussion

