

Memo



To: Energy Efficiency and Resource Management Council
From: EERMC Consultant Team
CC: Office of Energy Resources
Date: January 19, 2022
Subject: Energy Efficiency and System Reliability Procurement Technical Working Group Updates

CONSULTANT TEAM

Rhode Island Energy's (RIE or "the Company") Energy Efficiency (EE) and System Reliability Procurement (SRP) Technical Working Groups (TWG) meet throughout the year to discuss and gather feedback on relevant EE and SRP topics. The following intends to provide a high-level summary of TWG activity in 2022 along with a preview of activity to occur in 2023.

ENERGY EFFICIENCY TECHNICAL WORKING GROUP

The EE TWG met seven times over the course of 2022, meeting once per month from March through September. These meetings are summarized below.

March 24th Meeting

- Brief, 1-hour meeting with a focus on reviewing stakeholder survey results and previewing TWG schedule for next several months
- Stakeholder survey had very small sample size, consequently couldn't inform actionable insights

April 28th Meeting

- Review of 2021 preliminary results for EE programs
- Review and discussion of supply chain concerns, study to assess impacts
- Open discussion regarding 2023 Planning Process
 - Review key dates
 - Convey priorities from stakeholders, including equity and full support for review process
 - Discussion of need to assess tradeoffs in different program areas
 - E.g., reduce support for gas appliances and shift that funding to weatherization or controls

May 26th Meeting

- OER priorities presentation
- Building Analytics Platform presentation from Leidos
- High-level presentations on Participation and Multifamily Census Study and Nonparticipant Market Barriers Study, similar content to what the EERMC reviewed during the June LEAD meeting.

June 23rd Meeting

- Review planning process expectations for 2023 Annual EE Plan
- Focus on Plan Outline Memorandum discussion

July 22nd Meeting

- Interesting discussion on supply chain study from RI Energy contractor Guidehouse
 - Main data points were verbal conversations with select group of peer utilities
 - Found meaningful cost increases in some measure groups, though lack of actual sales data renders these findings less actionable, more qualitative and directional

- Significant discussion of 1st draft 2023 EE Annual Plan
 - Concerns raised by many stakeholders, including C-team and Councilors in attendance, regarding limited, blank, and/or overly high-level equity content
 - Recommendations raised for further scrutiny of large forecasted 2022 year end fund balance
 - C-Team surfaced significant improvements for carbon reporting approach
 - Concerns raised regarding very large cost increases throughout portfolio, especially C&I sector (not explainable through lighting)
 - Approach to handling inflation in BC models discussed, noting differences for different aspects of the model
 - Notable decline in savings discussed as well
 - Several near-term follow up conversations scheduled to dig deeper

August 25th Meeting

- 2023 Plan updates on proposed budgets
- Equity update from Rhode Island Energy, including some information on how they are using data from the Participant and Non-Participant Studies and updates on their equity commitments

September 30th Meeting

- EE TWG members provided indication about whether or not they would be signing parties to the 2023 EE Plan

SYSTEM RELIABILITY PROCUREMENT TECHNICAL WORKING GROUP

In 2022, the SRP TWG convened regulatory through May under National Grid. Following the sale of the distribution utility business to PPL, the SRP TWG meetings were put on hold during the summer months. The SRP TWG reconvened under RIE in October and met an additional 3 times in 2022. In total, the SRP met 7 times in 2022, and each of these meetings are summarized below.

January 19th Meeting

- Reviewed NPA program development progress
- National Grid provided update regarding NPA data requests from PUC, which included particular attention to the proposed NPA evaluation categories and how the NPA process differs from the NWA process
- Reviewed progress to date on 2021-2023 SRP Plan commitments

February 16th Meeting

- Overview of Gas NPA BCA model with focus on the specific costs and benefits to be included
- Update on PPL Transition – introduced SRP lead Steve Lasher for PPL

April 20th Meeting

- Stakeholder presentations on SRP priorities, including Division, OER, Acadia Center, Conservation Law Foundation, and Northeast Clean Energy Council
 - EERMC did not present yet, as priorities had not been formally approved by Council
- Brief review of SRP Year End Report key updates and expectations

May 18th Meeting

- SRP Year End Report revisions review and discussion
- C-Team able to present Council SRP priorities
- Announcement that transition has been delayed, PPL team is seeking new SRP transition manager.

Oct 19th Meeting

- Re-initiation of SRP TWG after hiatus during transition to RIE team
- Review of 2021-2023 SRP Plan commitments
- Reviewed RIE strategic vision for SRP, received stakeholder feedback and determined a few revisions
- Initial discussion of 2023 workplan, received stakeholder feedback, esp. regarding timing of NPA program development discussions
- Confirmed current attendee list, made modifications requested by stakeholders

Nov 16th Meeting

- Discussed 'living document' on guidance for participants in SRP TWG processes
- Gathered stakeholder input via working session on 2023 TWG calendar, to be reviewed again in December

Dec 21st Meeting

- Continued refinement and adding detail to 2023 SRP workplan
- Detailed discussion of how and when to address and work through NPA topics during 2023, including agreement to work through specific examples, and consider how NPAs can help offset new infrastructure.
- Alignment on focus of 2023 Q1 meetings

PREVIEW OF EE AND SRP TWG ACTIVITIES FOR 2023

Looking forward to 2023, the C-Team expects that EE and SRP TWG activities will return to their normal cadence that occurred prior to the sale of the Company.

The Company is still working on determining the specific dates for the EE TWG meetings and the C-Team will provide the Council with an update as soon as those are known.

The SRP TWG has already established its calendar for the year and known meetings dates are listed below:

- January 18th
- February 15th
- March 15th
- April 19th
- May 17th
- June 21st
- July 19th
- August 16th
- September 13th
- October 18th
- November 15th
- December 20th