EERMC Priorities 2024-2026 Plan Priorities

Presented By: EERMC C-Team

Date: February 16, 2023



Priorities Development Process

The Consultant Team presented proposed 2024-2026 EE Plan Priorities* during the January 2023 EERMC Meeting

The Priorities memo was expanded to include discrete recommendations on implementation strategy for each priority

This provides clear guidance to the Company on how to fulfill each EERMC priority area

The latest version of the draft Priorities memo *includes Councilor and RI Energy feedback* offered since the January EERMC Meeting

 In recent years, the Company has not provided written comments on the EERMC Priorities for Annual or Three-Year Plans

Council Discussion

Next Steps



Proposed 2024-2026 EE Plan Priorities

Comply with LCP Standards

Incorporate
Stakeholder Input

Ensure Effective & Efficient Development & Review Process

Give Due Consideration to Act on Climate

Set Ambitious Three-Year and Annual Plan Savings Goals Increase Participation in Underserved Communities

Conduct Targeted
Workforce
Development

Replaces broader "Support Equity and Access" priority from 2023 Plan, alongside equity focused elements within other priorities



Summary of Feedback

Further coordination required to understand how the Company will integrate state/federal funds and offerings into existing EE programs

Which priority strategies fall under the scope of state/federal offerings?

The Company should look to leverage its other initiatives (e.g., grid modernization, advanced metering) to expand impact of EE and demand response offerings

Requirements for compliance with Act on Climate unclear

 The Executive Climate Change Coordinating Council (EC4) 2025 Climate Strategy still in development

Specific equity metrics and guidelines for target communities need to be established



Summary of Updates

Directed the Company to meet EERMC-recommended targets or explain gaps, if any, between targets and EE Plan goals

For Priorities related to statewide climate goals or non-ratepayer funding for clean energy offerings, clarified instances where RI Energy should lead coordination

Explicit references to the Executive Climate Change Coordinating Council (EC4) 2025 Climate Strategy and the Company's Electric Resistance to Heat Pump Plan

To convey urgency around equity targets, suggested use of relevant data to inform initial targets where possible, as opposed to deferring all data collection until 2024

Next Steps



Next Steps

February – Council discusses & refines EE Priorities

 Continued opportunity for additional feedback (redlines, written feedback, working sessions with C-Team, etc.) up until March 3rd

March – Council votes on and C-Team presents EE Priorities to EE TWG

April – RI Energy releases 2024-2026 Three-Year Plan Outline Memo

June – RI Energy releases first draft 2024-2026 Three-Year Plan

2024-2026 Plan Priorities **Next Steps** Council Discussion



Council Member Discussion

How can the Council Priorities provide the best guidance to the Company?

Does the Council want to rank proposed Priorities in order of importance? If so, how would the order be determined?

Are there specific priority areas where the Council expects regular updates?



Background 2024-2026 Plan Priorities Next Steps Council Discussion









2024-2026 EE/SRP PLAN PRIORITIES



Comply with LCP Standards

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Incorporate Stakeholder Input

Ensure Effective & Efficient Development & Review Process Give Due
Consideration
to Act on
Climate

Set Ambitious
Three-Year and
Annual Plan
Savings Goals

Increase
Participation in
Underserved
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Apply the clear, outcome-oriented direction provided in the Least-Cost Procurement Standards section on General Plan Design and Principles for annual planning.

 This includes any subsequent updates to the Standards.

Include key metrics to be tracked and reported



Incorporate Stakeholder Input

Comply with LCP Standards

Incorporate Stakeholder Input Reflect priorities set by Technical Working Group members

Ensure Effective & Efficient Development & Review Process

Give Due Consideration to Act on Climate Reflect Equity Working Group findings and conclusions throughout Plan

Set Ambitious
Three-Year and
Annual Plan
Savings Goals

Increase
Participation in
Underserved
Communities

The EERMC, in collaboration with the Company, should host at least two public comment listening sessions on the 2024-2026 EE Three-Year Plan

Conduct
Targeted
Workforce
Development



Effective Development Review Process

Comply with LCP Standards

Incorporate Stakeholder Input Adhere to *Key Deliverables and Schedule*

Ensure Effective & Efficient Development & Review Process

Give Due
Consideration
to Act on
Climate

Set Ambitious
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Increase
Participation in
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Communities

Conduct
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Assure necessary time is afforded to the EERMC and stakeholders to participate in, review and reach clear understanding of the content of the 2024-2026 EE Plans sufficient to make informed decisions on whether to endorse the Plans



Due Consideration to Act on Climate

Comply with LCP Standards

Incorporate Stakeholder Input

Ensure Effective & Efficient Development & Review Process Give Due Consideration to Act on Climate

Set Ambitious
Three-Year and
Annual Plan
Savings Goals

Increase
Participation in
Underserved
Communities

Conduct
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Set Three-Year Plan savings goals to ensure EE programs contribute an appropriate share of carbon emissions reductions

Determine necessary GHG emissions reductions from EE programs required to comply with the Act on Climate, pending release of the 2025 Climate Strategy, by leading coordination with the EC4

Engage in a robust stakeholder process for determining an appropriate carbon pricing approach

Promote EE participation among Rhode Island communities most vulnerable to climate change



Set Ambitious Savings Goals

Comply with LCP Standards

Incorporate Stakeholder Input

Ensure Effective & Efficient Development & Review Process Give Due
Consideration
to Act on
Climate

Set Ambitious Three-Year and Annual Plan Savings Goals

Increase
Participation in
Underserved
Communities

Conduct
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Set Three Year and Annual Plan goals for 2024-2026 that meet EERMC-recommended targets or explain any gaps between the targets and EE Plan goals

Ambitious goals should signal to the industry the intent to grow energy efficiency programs and participation



Increase Participation by Underserved Customers

Comply with LCP Standards

Incorporate Stakeholder Input

Ensure Effective & Efficient Development & Review Process Give Due
Consideration
to Act on
Climate

Set Ambitious Three-Year and Annual Plan Savings Goals Increase
Participation in
Underserved
Communities

Conduct
Targeted
Workforce
Development

Engage energy efficiency stakeholders to establish specific criteria for target, underserved, or environmental justice communities as part of the 2024-2026 Three-Year Plan development process

Target each of those communities, in addition to other underserved customer groups, throughout 2024-2026



Targeted Workforce Development

Comply with LCP Standards

Incorporate Stakeholder Input

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Climate

Set Ambitious Three-Year and Annual Plan Savings Goals Increase
Participation in
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Conduct
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Workforce
Development

Develop detailed workforce development plans that target small/MWBE contractors and leverage state/federal funds where available

Provide technical support for small/MWBE contractors seeking to participate as energy efficiency program vendors

Deliver small/MWBE contractor trainings that target underserved communities in Rhode Island



Proposed 2024-2026 SRP Plan Priorities

Rhode Island Energy will be developing a separate System Reliability Procurement (SRP) Three Year Plan for 2024-2026 during 2023. The priorities here relate to the development of that Plan.

Category	The 2023 System Reliability Procurement Plan Should
Responsiveness	Demonstrate continued responsiveness to Council and other stakeholder input, including during the development of the 2024-2026 SRP Three Year Plan
Stakeholder Engagement	Ensure sufficient opportunities for stakeholder engagement and substantive contributions during SRP planning and implementation
Continued Methodological Development	Actively pursue further development of benefit cost analysis and assessment of internal EE and DER solutions to grid needs
Complete Non-Pipes Program Design and other 2021-2023 3YP Commitments	Ensure Non-Pipes Alternative (NPA) program design is complete within 2023. Ensure that the results of this program design work, and any other learnings from the 2021-2023 3YP, are appropriately incorporated and built upon in 2024-2026 3YP.