



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

CONSULTANT TEAM

EERMC Market Potential Study Data Refresh Update and Targets Report

Presented By: EERMC Consultant Team

Date: April 20, 2023



Outline

Background on EERMC-Recommended Targets

MPS Data Refresh Process Update

Final MPS Results

Recommended Targets

Council Discussion and Vote



Purpose of Targets

The Least-Cost Procurement (LCP) Standards define the Council’s responsibilities with respect to providing the Commission with findings and recommendations

- This is what we are referring to when we discuss the recommended “Targets Report”

The EERMC-recommended Targets

- Establish what is “**potentially available cost-effective efficiency**”
- **Guides establishment of savings goals** for the Three-Year Plans and ensuing Annual Plans

Important Reminders:

- Energy Efficiency Targets \neq Energy Efficiency Goals
- Historically, Goals are where the filters for prudence, reliability, and environmental responsibility from the Standards are applied
- Acknowledge that these factors may result in a gap between Targets and Goals as defined, and that is okay



Development of Targets

2021-2023 EE Targets relied heavily on the Maximum Achievable scenario in the 2021-2026 Market Potential Study (MPS)

For 2024-2026 Targets, Council has access to the final results of the 2024-2026 update to the 2021-2026 MPS

Other items considered and reviewed in development of Targets

- Review of prior Target submittals to PUC
- Review of LCP legislation and any relevant updates to LCP Standards
- Input from Stakeholders
- Other EERMC priorities and legislative obligations



MPS Data Refresh Process Update

Task	Jan		Feb		Mar		Apr		May		
	1	2	1	2	1	2	1	2	1	2	
Task 1: Identify data sources and collect input data	D1. Data Request										
Task 2: Estimate net effects of factors affecting baselines	[Greyed out]										
Task 3: Update measure list and gather data											
Task 4 and 4a: Estimate potential savings		[Greyed out]									
Tasks 1-3: Kick-off meeting, check-in meetings, and correspondence	Kick off					M	M	M	M	M	M
Tasks 1-4: Reporting and recommendations and deliverables					D4. Draft Results		D5. Final Results				

Note: During contract negotiations, D2 and D3 were eliminated as formal deliverables.

M = Meeting

D = Deliverable



MPS Data Refresh Process Update

The C-Team and the Company reviewed draft results of the MPS Data Refresh in March and provided comments to Dunskey Energy + Climate Advisors

Key updates between the draft and final results were driven by

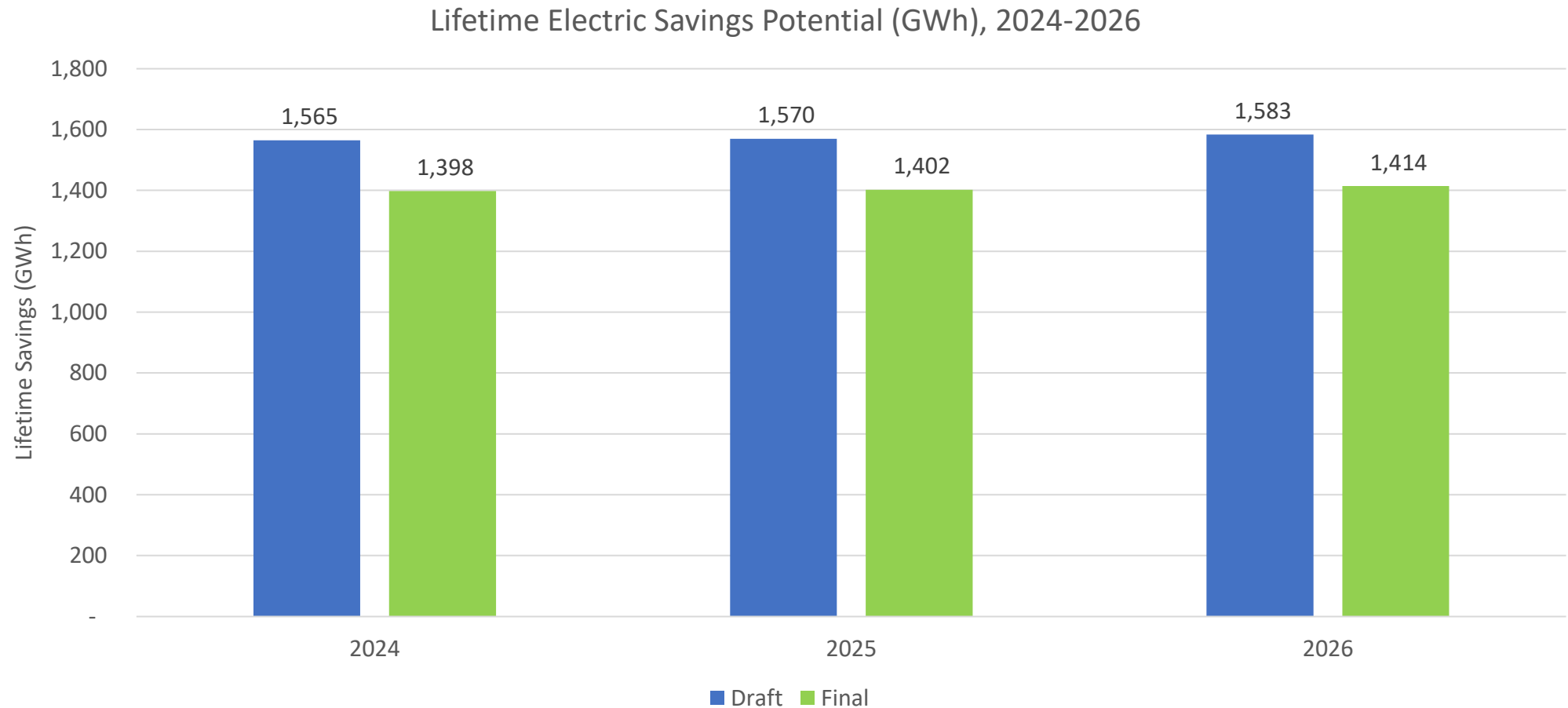
- Updated measure life assumptions, particularly for C&I lighting
- Quality assurance/control review for other inputs, such as net-to-gross ratios and baseline assumptions

Dunskey Energy + Climate Advisors shared final MPS Data Refresh results on April 6th



Draft vs. Final Results, Electric Portfolio

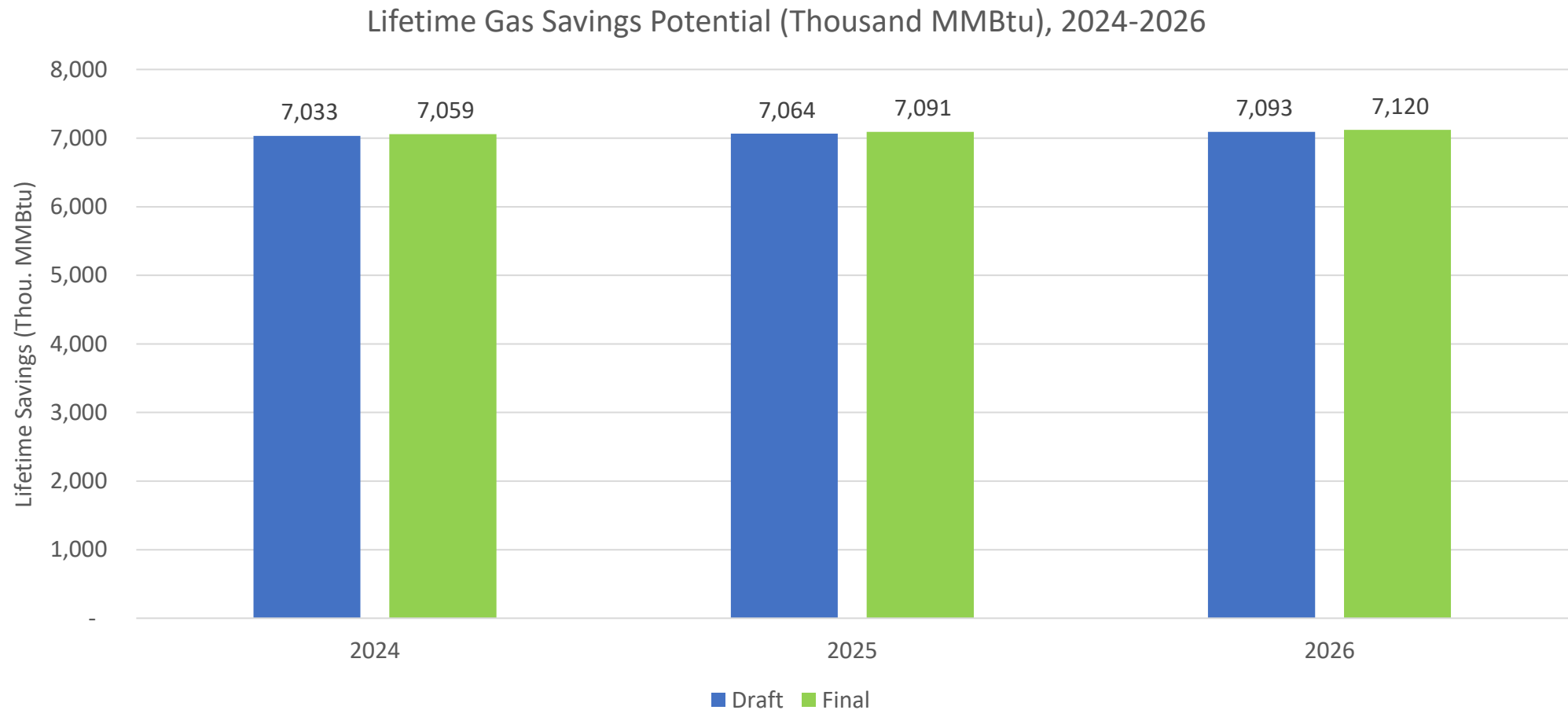
Key Takeaway 10.7% decrease in electric savings potential largely due to C&I lighting





Draft vs. Final Results, Gas Portfolio

Key Takeaway Less than 1% increase in lifetime gas savings potential from 2024-2026



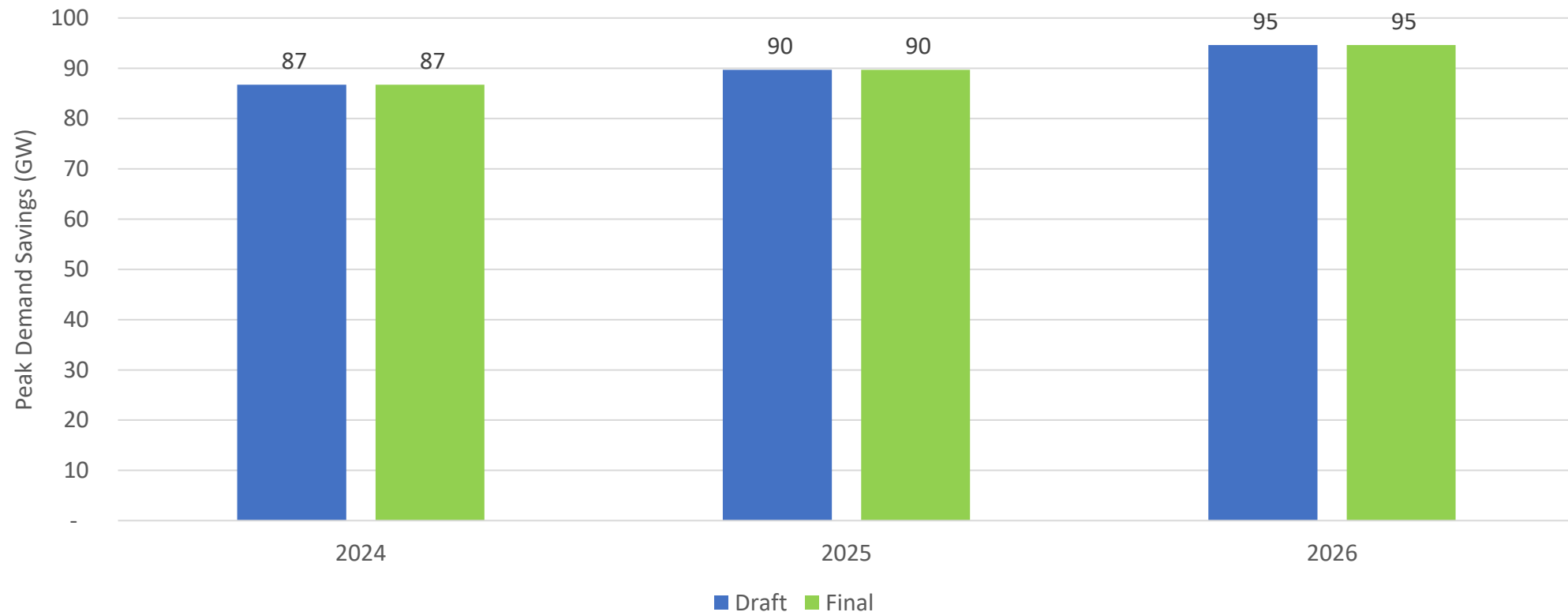


Draft vs. Final Results, Active Demand

Key Takeaway

Peak demand savings potential from active demand virtually unchanged between draft and final results for 2024-2026

Annual Peak Demand Reduction (GW), 2024-2026





Recommended Targets

The C-Team recommends Targets which align with the final results of the MPS Data Refresh, as presented in the table on the next slide.

We also emphasize that the Council has the discretion to recommend alternative Targets, which are not required to be set using values from the MPS Refresh.

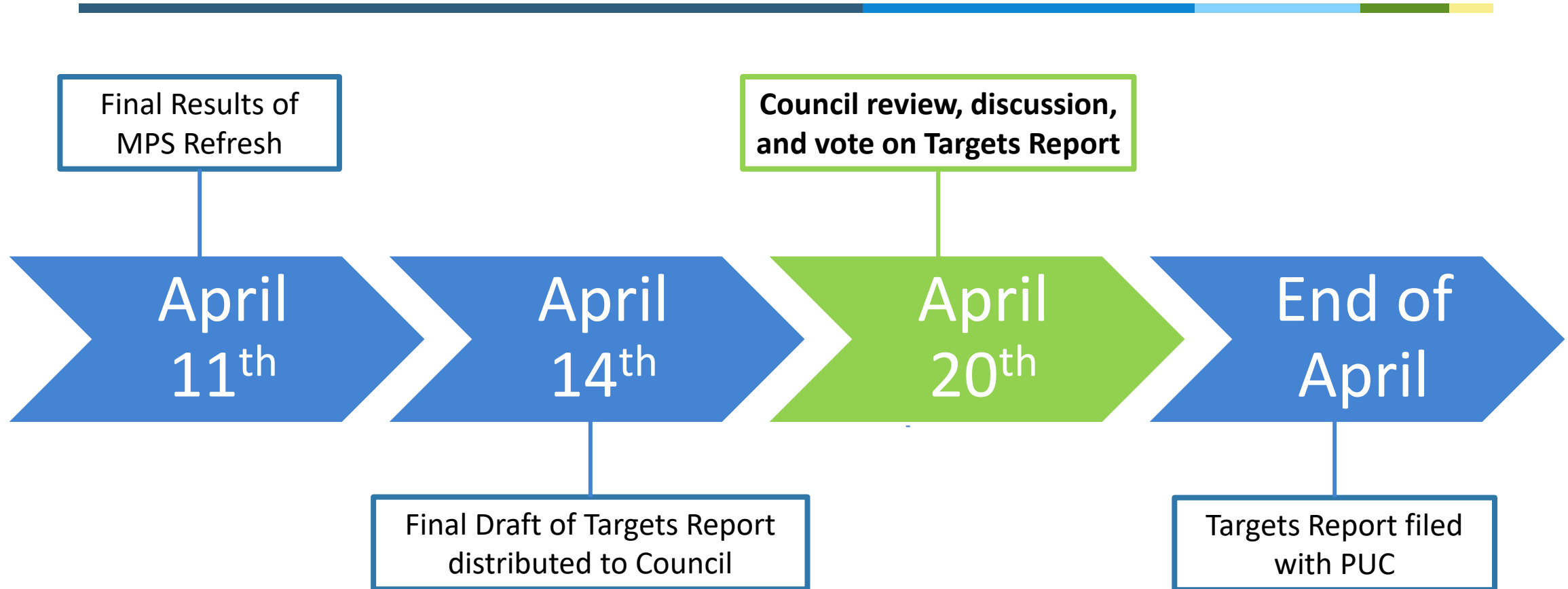


Recommended Targets

Year	Electric Energy (Lifetime MWh)	Natural Gas Energy (Lifetime MMBtu)	Electric Active Demand Response (MW)
2024	1,397,644	7,058,839	86.7
2025	1,401,610	7,090,690	89.7
2026	1,413,953	7,119,585	94.6

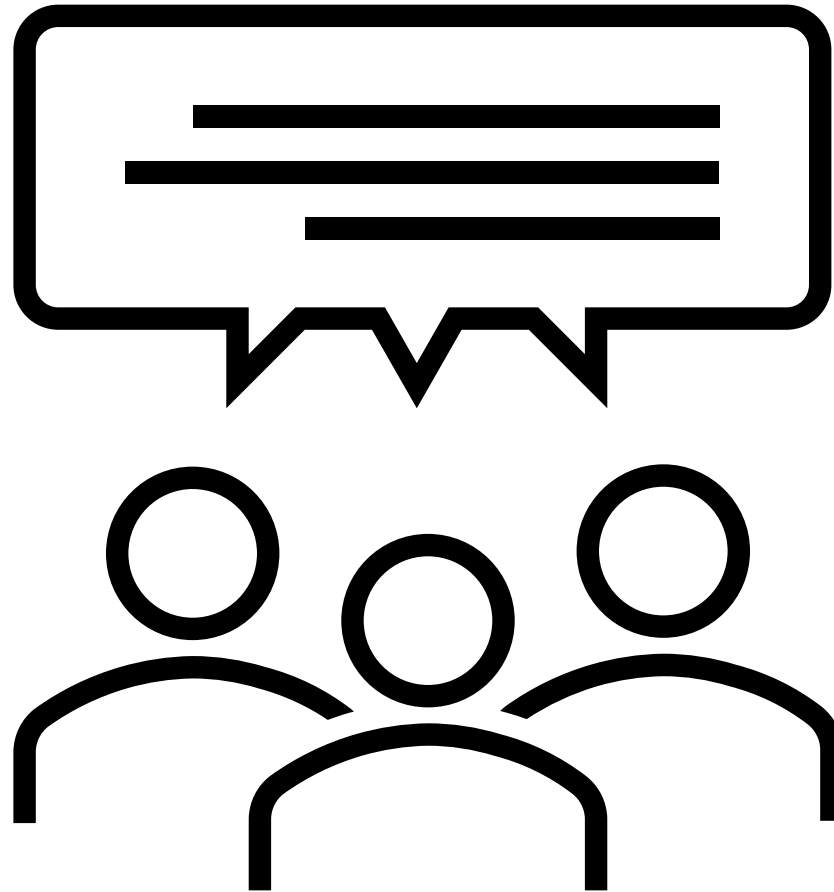


Next Steps





Council Member Discussion





APPENDICES





Requirements for Targets

Required

Electric and gas savings targets through energy efficiency and demand response over a three- to six-year period

Required

How savings targets are cost-effective and supported by one or more relevant market potential assessments

Required

Whether savings targets are intended to represent investments that are also reliable, prudent, environmentally responsible, and less than the cost of supply

Optional

Strategies for achieving savings targets over at least a three-year period



SRP Recommendations

Optional

Recommendation for processes, including screening criteria, for identifying SRP investments that potentially meet LCP Standards

Optional

Strategies/technologies that potentially contribute to SRP



Performance Incentive & Standards

Performance Incentive Plans

Optional

- Recommendations for performance incentives that the distribution company is eligible to earn through LCP

Optional

LCP Standards

- Recommendations for updates to LCP Standards



Rulings & Stakeholder Process

Recommended Rulings

Required

- State findings that the Council and/or OER recommend the PUC adopt by Order

Stakeholder Processes

Required

- Minutes of public Council meetings at which the report was discussed

Required

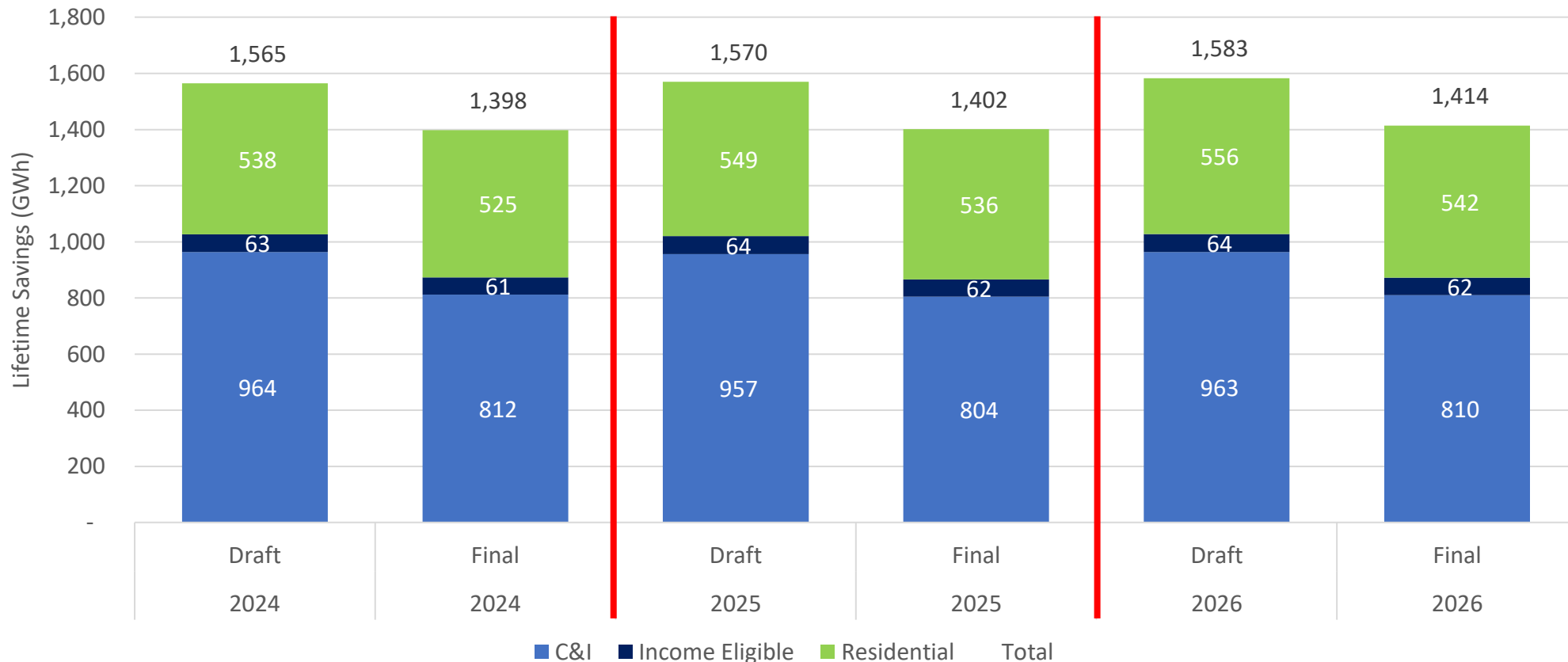
- Presentations related to the development of the report made at public Council meetings



Draft vs. Final Results, Electric Portfolio

Key Takeaway 10.7% decrease in electric savings potential largely due to C&I lighting

Lifetime Electric Savings by Sector (GWh), 2024-2026

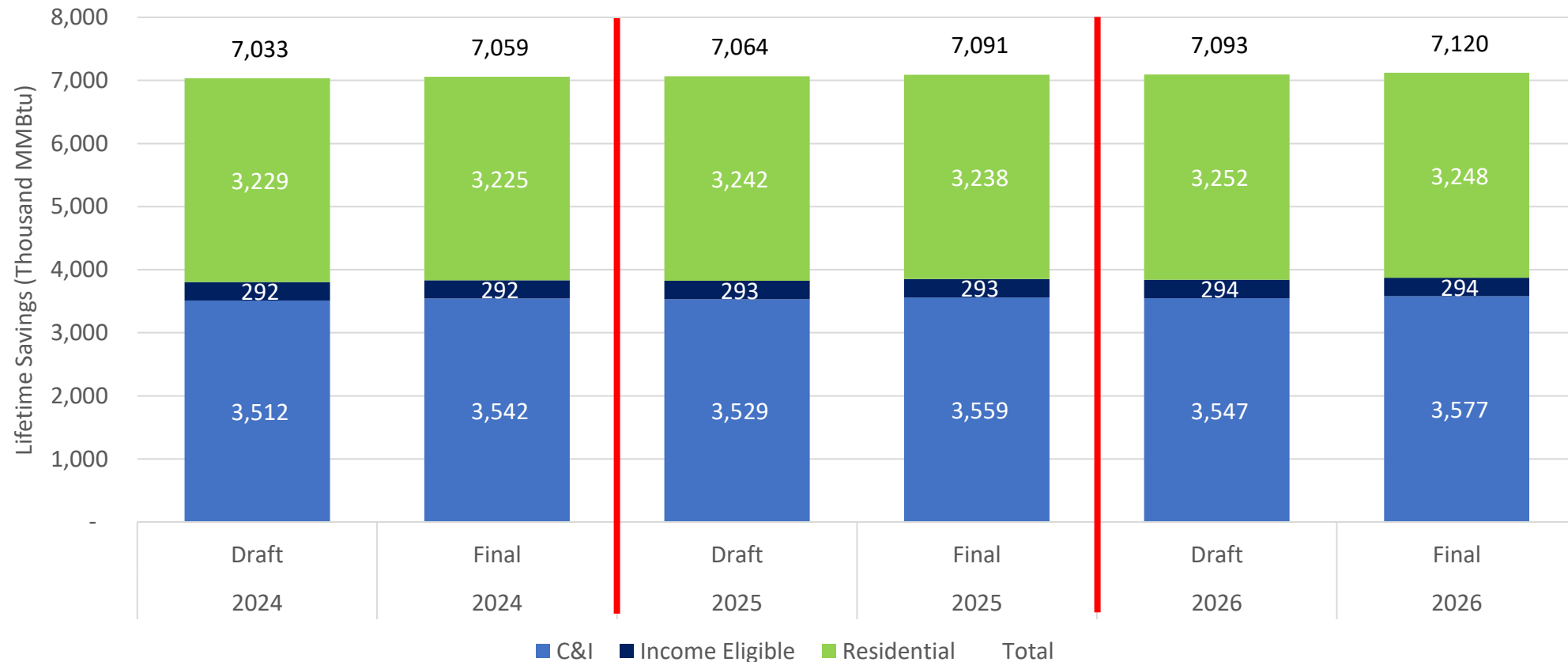




Draft vs. Final Results, Gas Portfolio

Key Takeaway Less than 1% increase in lifetime gas savings potential from 2024-2026

Lifetime Gas Savings by Sector (Thousand MMBtu), 2024-2026





Draft vs. Final Results, Active Demand

Key Takeaway Peak demand savings potential from active demand virtually unchanged between draft and final results for 2024-2026

Annual Peak Demand Reduction by Sector (MW), 2024-2026

