

Exhibit 1



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, March 17, 2022

Full Council Meeting | 3:00 - 5:00 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

Members in Attendance: Commissioner Nick Ucci, Anthony Hubbard, Sue AnderBois, Peter Gill Case, Karen Verrengia, Joe Garlick, Tom Magliocchetti

Others Present: Steven Chybowski, Nathan Cleveland, Sam Ross, Angela Li, Adrian Caesar, Brett Feldman, Joe M., Craig Johnson, Jessica Darling, Nelson DiBiase, Josh Kessler, Diane Quesnelle, Hank Webster, Eric Belliveau, Pumee Rod, Greg Caggiano, Anika Kreckel, John Richards, Margaret Hogan, David Moreira, Ben Rivers

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-march-2022/>.

1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:04 p.m.

2. Legal Update on Council Procedures

Commissioner Ucci provided an update clarifying that the Council can discuss matters and hold public meetings without a quorum, but decisions and votes cannot be made. This is the protocol that we've followed in the past and was confirmed through conversations with the Council's legal counsel and the Attorney General's office.

Councilmember Gill Case asked for clarification as to what constitutes a quorum. Commissioner Ucci responded that a quorum is understood as a majority of those who are appointed as long as we are taking all necessary steps to fill vacant seats. We have provided the Governor with names for consideration and that process is underway.

Councilmember AnderBois asked for a timeline regarding the filling of vacant seats and if Councilors can get a copy of who is being recommended. Commissioner Ucci stated that it is our practice not to provide information on who has been recommended as it is a part of internal deliberation for the Governor, but thanked Councilmember AnderBois and all others for the suggestions for candidates they have provided. There is no timeline at this time, but there should be more information in the coming months.

3. Executive Director Report

Commissioner Ucci provided an update on the DRIVE EV Program which will provide electric vehicle rebates to consumers in Rhode Island with \$1.25 million in Office of Energy Resources (OER) funds. OER is contemplating additional incentives for income-qualified Rhode Islanders and the program has incentives for fleet purchases as well. OER is exploring opportunities to provide additional fleet incentives in the neighborhoods with the highest asthma rates as well in an effort to potentially also address health inequities. The program will be brought to the April Executive Climate Change Coordinating Council (EC4) meeting and the program will be open for public comment before being implemented.

Commissioner Ucci noted that there will also be three EC4 meetings on how the state measures and tracks its climate goals at the end of the month. More information on these events can be found at climatechange.ri.gov.

4. Meeting Minutes – January 20, 2022 and February 17, 2022

Councilmember Verrengia motioned to approve the January and February Meeting Minutes as written. Councilmember Garlick seconded. There was no discussion. All voted in favor with none opposed through a roll call vote. The motion passes and meeting minutes for both January and February 2022 are approved.

5. Acting Chairperson Report (items 1-4: 5 min, 3:05 - 3:10pm)

Acting Chair Hubbard gave updates, reminding Councilors of virtual meeting etiquette, summarized the agenda, and provided instructions for participants to make public comments.

6. Program Oversight (20 min, 3:10 – 3:30 p.m.)

- a) *Review results of 2021 Energy Efficiency Programs Q4 Report (20 minutes, 3:10 – 3:30 p.m.)*

Please refer to the [Consultant Team and National Grid Joint Presentation on 2021 Energy Efficiency Programs Q4 Report \(Revised 3-16-2022\)](#)

Mr. Caesar and Mr. Johnson of Optimal Energy presented on the fourth quarter results of the 2021 energy efficiency programs. Overall, there was strong performance on the electric market rate residential side, but underachievement on the income-eligible and commercial and industrial segments. There was a high amount of program activity between Q3 and Q4. On the gas side, the market rate residential performance was strong, but the income-eligible and commercial and industrial segments also underperformed. They each noted that 2021 performance exceeded 2020 program performance, which is a promising trend given relatively low achievement across the board in the COVID impacted 2020 program year.

Mr. Johnson stated that on the residential side, 3 out of 4 programs fell short of their goals. Mr. Caesar noted strong commercial performance on both gas and electric segments for the small business programs. Supply chain interruptions and equipment delays contributed to some of the missed goals and pre-stocking equipment may be able to help with some of the supply chain issues. Ms. Li of National Grid presented on residential program highlights which includes a Regional Greenhouse Gas Initiative moderate-income single-family weatherization offering in partnership with OER which has a lot of interest from customers. With multifamily programming, steps will be taken to make sure communications are reaching customers. With heating, ventilation, and air

conditioning programming, National Grid has launched updates with reporting, more virtual training offerings and a weekly newsletter for updates.

Mr. Kessler presented on the Commercial and industrial program highlights which includes a new construction four-pathway structure for that program, as well as the completion of 89 electric and 30 gas projects.

Mr. Rivers provided updates on grocer and small business programs. The grocer initiative failed to meet expectations, as there was turnover at the vendor, staffing shortages at customer locations and emphasis on supply chain issues from grocers. Throughout this, the vendor remained in contact with customers about next steps and the small business segment did very well, exceeding its goal on the electric side and achieving nearly 100 percent on gas side as well. There was expanded participation with minority business enterprises, and programming is off to a very strong start for 2022.

Mr. Johnson stated that most commitments made in the 2021 plan were completed and that the consultant team will be compiling a list of commitments made in the 2022 Energy Efficiency plan and tracking those.

7. Council Business (80 Minutes, 3:30 – 4:50 p.m.)

- a) Review, Discussion, & Vote on Consultant Team Recommendations and 2022 Scope of Work (15 minutes, 3:30 - 3:45 p.m.)*

Please refer to the [Update on Recent PUC Rulings – Consultant Team Presentation](#)

Mr. Ross of Optimal Energy led the discussion of the Consultant Team's recommendations and proposed scope of work. He noted that the meeting materials were also shared at the February meeting. Mr. Ross provided a summary of the Public Utility Commission rulings and how the Consultant Team is planning to be responsive to the rulings. He also noted that the 2022 energy efficiency planning timeline meeting material will be provided at each Council meeting for easy reference by the Councilors. If any Councilors have legal questions regarding the PUC's rulings, the Council's legal Counsel is available to answer those questions, either in a one-on-one meeting or the consultant team can pass those along to her. Mr. Ross explained that the Consultant Team's proposed scope of work uses an adaptive approach, listing all possible areas of consultant work and allowing flexibility based on the priorities of the Council throughout the year.

Acting Chair Hubbard shared comments and questions regarding the newly proposed scope of work and noted that his response is based on what he heard at the PUC hearings. Acting Chair Hubbard first noted that he has requested a tracked changes version of the scope of work so that he can gauge what is being lost or gained and asked if it is the expectation of the PUC that the Council renegotiate the 2022 scope of work.

Councilmember Verrengia would also appreciate a tracked changes version of the scope of work and requested that it be shared with the full Council.

Mr. Ross apologized for not sending the tracked changes scope of work sooner. Mr. Ross stated that the PUC's only formal ruling for the Council is the cap on the overall budget, and that he does not

believe that the PUC ruled that the Council must renegotiate the Consultant Team services. Mr. Ross noted that the 2022 Consultant Team budget is slightly higher than 2021.

Ms. Li of National Grid stated that she has seen that the Consultant Team has been doing more presentations at Council meetings than in the past and that the utility can take on more of that to alleviate the budget if needed.

Acting Chair Hubbard expressed concern about the notion of going back to the PUC for additional funding based on the tone of the PUC commissioners in their ruling and deliberations and wants to make sure whatever budget limit is set is both responsive to that conversation as well as ensuring that core Council business can be supported.

Commissioner Ucci stated that the Office of Energy Resources (OER) has reviewed and evaluated the proposed scope of work and that the PUC hearings were a good learning opportunity for different perspectives and insights on consultant services. He stated that OER cannot support the scope of work as is, as it doesn't reflect the overall tenor of the PUC hearings, though he does appreciate the changes that have been made so far. Commissioner Ucci noted that this scope of work represents approximately 80% of the EERMC budget and that there is no further refinement of subtasks to track hours for each subtask. He recommended that the Consultant Team hone in on the required items to support critical Council business, with everything else provided as a la carte service with specific budget numbers assigned to those additional work areas as a potential revision. Commissioner Ucci expressed that he does not think the scope of work does enough to reflect the concerns of the PUC, and a "not to exceed" amount could be put in place by the Council if needed to help refine the scope of work and budget for 2022.

Councilmember AnderBois is supportive of the scope of work as proposed from the Consultant Team. She stated that the increase in budget was reflective of the increased work being asked of the consultants with the contested energy efficiency case. She shared concern about reflecting the tone of the PUC hearings, but noted that this consultant team performs at a higher level than other consultants she has worked with and thinks there may be room for just cutting around the edges with the budget. She expressed that she sees energy efficiency work as under attack and that she gets a lot of value from the work of the Consultant Team.

Acting Chair Hubbard reiterated that his comments are not about the Consultant Team staff and their work products, but are a reflection based on the results of the PUC hearings.

Councilmember Verrengia agreed with Councilmember AnderBois and thanked her for recognizing the value of the Consultant Team work. Councilmember Verrengia stated that she feels fortunate to have this team behind us, but that she also agrees with Commissioner Ucci that the Council should try to free up more wiggle room in the budget and table the vote for another month as this proposal cuts the budget too close.

Councilmember Garlick agreed that we should hold off on this vote for another month.

Mr. Ross stated that he appreciates the feedback and that he didn't want to take anything out of the scope of work without the Councilors input, hence the adaptive approach they put forward in this document. He said that the Consultant Team will look to create space for additional flexibility and could adjust the top line budget.

Councilmember Verrengia agreed with Ms. Li's previous statement that the Consultant team has taken on more presentations from National Grid and that work may be able to be shifted to relieve the budget.

Commissioner Ucci also reiterated that his comments were not reflective of the work or staff of the Consultant Team, but that they are reflective of PUC hearings and that Commissioner Ucci is supportive of going out for an RFP for consulting services in this new paradigm.

Councilmember Verrengia motioned to table consideration of the 2022 scope of work for the Consultant Team until next month's meeting, pending revisions. Councilmember Garlick seconded the motion. All voted in favor with none opposed via a roll call vote. The motion was approved.

b) Discussion & Vote on Legal Services (15 minutes, 3:45 - 4:00 p.m.)

Mr. Cleveland began this conversation and noted that legal Counsel Desautel couldn't be here today because of a family emergency. Mr. Cleveland explained that the current legal services contract runs through the end of April 2022 and that there is the option in the current contract to renew legal services with Desautel Law for another 12 months at the same rates, or the Council can develop an RFP and bid for legal services for the remainder of 2022, noting that if the RFP option is chosen, current counsel is welcome to respond to the RFP.

Commissioner Ucci stated that he believes this, and the consultant services, can be approached in the same light. He stated that it's prudent this year to issue an RFP and use competitive pressures to ensure reasonable, competitive costs.

Councilmember Verrengia noted that the RFP process takes a while, and her immediate reaction is to continue with existing legal services as the current firm has history with the EERMC, but she does agree with Commissioner Ucci's thoughts that going out to bid could be a good idea, and asked about a procurement timeline.

Commissioner Ucci stated that procurements have been relatively streamlined and efficient, but that there would need to be consideration of extension of current services.

Commissioner Ucci stated that the process could be done by the summer and that current legal counsel could respond to the RFP.

Councilmember Gill Case spoke in favor of consistency and is supportive of current legal services. He said that the earth is moving under our feet and that legal services is relatively low in expenses compared to consultant services and that the reason the budget went up for legal services was due to the contested case.

Councilmember Garlick added that as one of the RFP reviewers, Ms. Desautel was by far the most responsive bidder, and she brought strong experience to the table.

Councilmember Verrengia motioned to authorize the Council's extension option under its existing contract and to extend services with Desautel Law for an additional 12 months with the same terms. Councilmember AnderBois seconded the motion. Councilmembers AnderBois, Garlick, Gill Case, Magglicchetti, and Verrengia voted in favor with Acting Chair Hubbard opposed via a roll call vote. The motion was approved.

c) Discussion & Vote on 2022 EERMC Budget and Review 2023 Budget Timeline (20 minutes, 4:00 – 4:20 p.m.)

Please refer to the [2022 EERMC Budget Proposal and 2023 EERMC Budget Planning Timeline](#)

Mr. Cleveland led the discussion on the proposed Council budget. The Council has just over one million dollars for a budget, and the proposed legal counsel budget for 2022 is lower than what was spent on legal services in 2021. The budget numbers are for calendar year 2022 and the approved January legal invoice was for approximately \$20,000.

Acting Chair Hubbard asked if only ~\$35,000 would be left for legal services for the remainder of the year.

Mr. Cleveland replied that yes, Acting Chair Hubbard is correct if the 2022 budget for legal services is approved as currently proposed.

Mr. Cleveland explained that the public education investment would be in line with the allocation of the past few years, and that once approved, OER can prepare RFPs for education opportunities as directed by the Council. In addition, the Council can seek free spaces for the EERMC retreat to keep costs low.

Councilmember Verrengia likes the budget the way it is, and asked if the Council were to approve the budget as is and things don't get spent as listed, would that tie the Council's hands?

Mr. Cleveland responded that if the Council wanted to move things after approving a budget, there would need to be a vote to adjust the budget.

Commissioner Ucci stated that it would be appropriate for there to be votes if one initiative is supported instead of another from the budget.

Councilmember Garlick shared that this agenda item could be postponed until the consultant services budget item is resolved.

Councilmember Verrengia stated that she believes that the PUC is okay with the education allocation.

Councilmember Gill Case, speaking as part of the education working group believes that the budget looks good and thinks it makes sense to wait to formalize it until the consultant services budget amount is finalized.

Mr. Cleveland clarified that the lecture series and videos from 2021 are not being paid by the 2022 budget, as those expenses were contracted for and will be aid from prior year funds. Ms. Li stated that she is in support of prioritizing tasks that increase net benefits.

Mr. Garlick agrees with the line-item budgets as listed and comments of previous Councilors.

Acting Chair Hubbard asked what other work the Council would like to see around k-12 education.

Mr. Cleveland responded that he believes the k-12 education is to fund additional trainings for teachers.

Acting Chair Hubbard asked if there are topics of environmental justice covered in the K-12 materials.

Councilmember Verrengia stated that she is a big supporter of this line item, and that the Council can include whatever requirements they might like to see from a vendor for future educational trainings, including environmental justice, as a new RFP hasn't gone out yet.

Councilmember Garlick motioned to table formal vote on the budget until next month with support indicated for the budget allocations as presented today, pending resolution of the Consultant Team's budgetary allocation. Councilmember Gill Case seconded. All voted in favor with none opposed via roll call vote. The motion was approved.

Mr. Chybowski then led a discussion about the proposed planning timeline for the 2023 EERMC budget, which must now be filed with the energy efficiency plan in the fall.

Ms. Li noted that the budget will need to be approved by August for it to be added to the plan filing which is due October 1st.

Councilmember Gill Case is supportive of an expedited budget approach and noted that the Council needs to know what to expect for expenses of the two primary contract services.

Commissioner Ucci stated that OER can bring a consultant services RFP draft to the April meeting to tie that to the 2023 budget planning.

Mr. Chybowski will adjust the 2023 budget planning timeline to plan for a final budget vote at an earlier Full Council meeting.

Mr. Belliveau of Optimal Energy noted that a target would make it easier for the Consultant Team to bring forward a proposal that is in line with expectations.

Acting Chair Hubbard and Councilmember Verrengia are supportive of discussing the 2023 budget and RFP at the next Executive Committee meeting.

Councilmember Gill Case stated that he assumes that all Councilors are taking advantage of 1 on 1s with Consultant Team, and that he is in favor of Councilors sharing priorities directly with the Consultant Team through those channels.

Acting Chair Hubbard, and Councilmembers AnderBois and Garlick expressed support with that plan.

d) Discussion of Priorities for 2023 Energy Efficiency Annual Plan (20 minutes, 4:20 – 4:40 p.m.)

The EERMC opted to table this agenda item until a future meeting and Acting Chair Hubbard noted that Councilmembers can provide their energy efficiency priorities directly to Optimal Energy if they have a one-on-one meeting with them.

e) Review Draft of 2022 EERMC Annual Report (10 minutes, 4:40 – 4:50 p.m.)

The EERMC opted to table this agenda item until a future meeting and Acting Chair Hubbard noted that the draft of the 2022 EERMC Annual Report is available as a meeting material. If Councilmembers have feedback that they would like to provide, they can share it directly with Optimal Energy if they have a one-on-one meeting with them.

8. Public Comment

Hank Webster, Acadia Center:

Mr. Webster spoke to provide an outside perspective on the value of the Consultant Team to energy efficiency in Rhode Island. He stated that the market potential study shows how much more energy efficiency could achieve, and that two years ago the systems benefit charge was threatened, and that this year the performance incentive mechanism and a scoop of the energy efficiency budget are being threatened. This past year had the first contested plan in the history of this program, and while Councilmembers and advocates asked for examples of savings opportunities beyond a five percent cap, the Consultant Team were ones to conduct a thorough review of the alternative energy efficiency plan. Mr. Webster believes that it would be an inopportune time with all the current changes to not have the Consultant Team and their advising to the Council and the State. Mr. Webster is concerned about a diminished role of the Consultant Team and values their independent presentations and evaluations of the annual energy efficiency plans.

9. Adjournment

Acting Chair Hubbard adjourned the meeting at 5:10 p.m.

Exhibit 2



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

CONSULTANT TEAM

EERMC Priorities 2023 Planning Priorities

Presented By: EERMC C-Team

Date: March 17, 2022





Outline

Background

Last Year's Priorities

Brainstorming 2023 Plan Priorities

Next Steps

Council Discussion

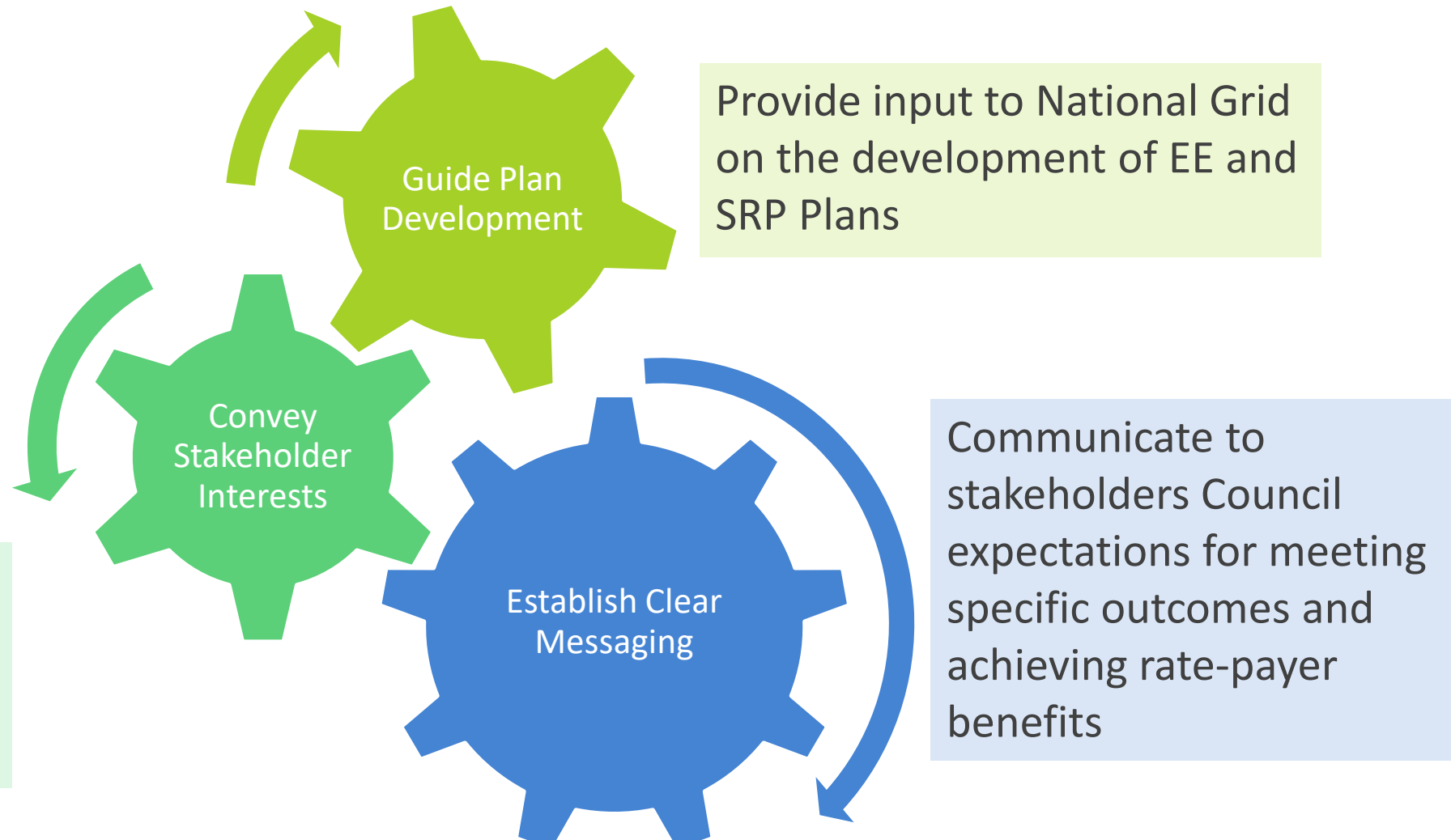


BACKGROUND





Why set EE and SRP Priorities?





Why set EE and SRP Priorities?

SUPPORT

Support LCP law per EERMC's legislated role

RESPOND

Respond to evolving trends

ALIGN

Align with Policy Recommendations

BALANCE

Balance "what & why" vs. "how"



How Are Priorities Used?

Stakeholder Communication

- Presented to EE Technical Working Group (March)

Plan Review

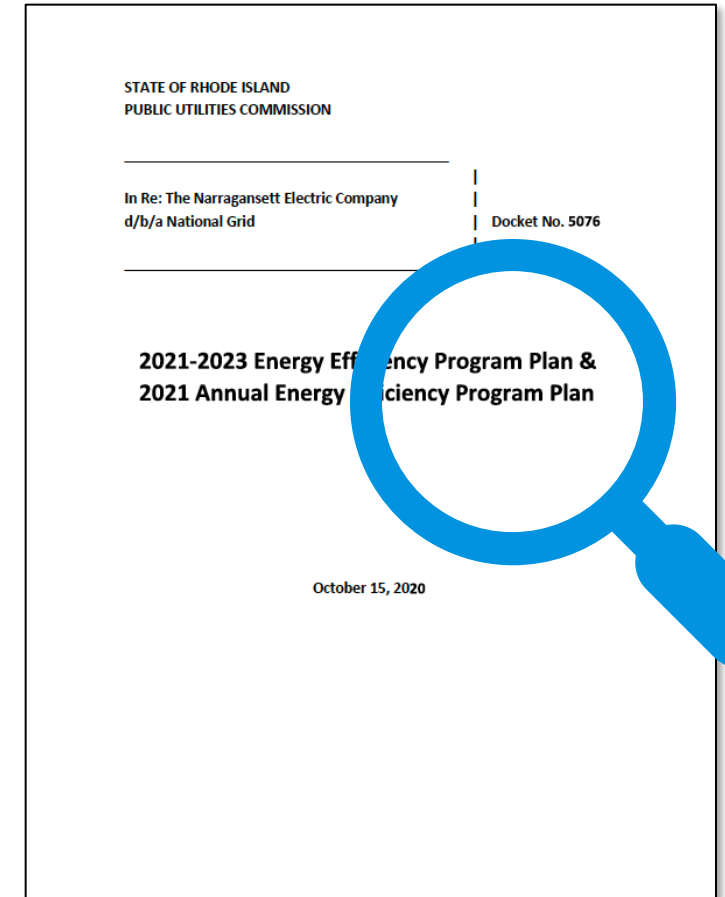
- Consistently referenced during C-Team review of Plan drafts and final versions

EERMC Website

- Will be featured on EERMC website to promote public understanding of key EE objectives supported by the Council

Regulatory Proceedings

- Often cited in regulatory proceedings in testimony and written comments





REVIEW OF 2022 PLAN PRIORITIES





Last Year's Priority Buckets

Align with Three-Year Plan

Comply with LCP Standards

Incorporate Stakeholder Input

Support Equity & Access

Ensure Effective & Efficient Development & Review Process



1. Align with Three-Year Plan

Align with Three-Year Plan

Comply with LCP Standards

Incorporate Stakeholder Input

Support Equity & Access

Ensure Effective & Efficient Development & Review Process

Target “High Scenario” for savings and benefits goals

Identify how each 3YP priority will apply in 2022 Plan

Align with Market Potential Study (MPS)

Maximize cost-efficiency while delivering maximum savings and benefits



2. Comply with LCP Standards



Apply the clear, outcome-oriented direction provided in the LCP Standards section on General Plan Design and Principles for annual planning

Include key metrics to be tracked and reported



3. Incorporate Stakeholder Input

Align with Three-Year Plan

Comply with LCP Standards

Reflect priorities set by Technical Working Group members

Incorporate Stakeholder Input

Support Equity & Access

Reflect Equity Working Group findings and conclusions

Ensure Effective & Efficient Development & Review Process

Incorporate input from robust and actionable Customer Feedback Activities

Incorporate feedback from Annual CHP event stakeholders



4. Support Equity & Access



Fulfill and apply results to 2022 Plan from the 2021 Plan commitments, including:

- Non-participant/participant study
- Census of multi-family housing
- Reference to, and application of, findings from the MPS

Commit to clear, comprehensive list of tasks that will be added to quarterly reports to support full and transparent accountability of performance in achieving the commitments

Include clear, detailed remediation strategies to assure corrective action on underperforming programs



5. Development Review Process



Adhere to *Key Deliverables and Schedule*

- Assure necessary time is afforded to the EERMC and stakeholders to participate in, review and reach clear understanding of the content of the 2022 EE Plan sufficient to make informed decisions on whether to endorse the Plan



System Reliability Procurement Plan Priorities



Be Responsive

- Demonstrate continued responsiveness to Council and other stakeholder input, including specific points identified in the Council’s comments on the SRP Plan

Engage Stakeholders

- Ensure sufficient opportunities for stakeholder engagement and substantive contributions during SRP planning and implementation



BRAINSTORM 2023 PLAN PRIORITIES





Brainstorming 2023 Plan Priorities



What *recent developments* should factor into 2023 Plan design?

- Ongoing economic issues, primarily driven by COVID
- PUC rulings on 2022 Annual Plan
- Legislative & policy trends (local, state, federal)
 - Includes additional program funding opportunities
- 2021 performance (and 2022 to-date) at program, sector & portfolio levels
 - Including status of commitments made in 2022 Plan



Brainstorming 2023 Plan Priorities



What are the *current challenges* facing your constituent group?

What *new developments* are you seeing?

Can *energy efficiency play a role* in addressing those challenges and developments?

How should the 2023 EE & SRP Plans be developed to best *meet the current needs* of your constituent group?



Topics from Retreat Survey



1 out of 5 votes

- Development of Council equity statement
- Understanding the foundational role of EE in meeting RI's decarbonization and clean energy goals
- EE's effects on transmission & distribution



2 out of 5 votes

- Braiding EE and other resources to increase access and streamline program participation across silos
- EE Equity Working Group progress
- Future of energy efficiency programs
- How forward capacity markets support energy efficiency
- Long-term financial impacts of EE investments on ratepayers – rate & bill impacts
- Participant and nonparticipant / multifamily census studies



3 out of 5 votes

- Acadia Center's RESPECT Framework (Reforming Energy System Planning for Equity and Climate Transformation)
- Heating electrification efforts
- Workforce development



4 out of 5 votes

- Income eligible programs and multifamily programs



NEXT STEPS





Next Steps

February – March – One-on-one meetings

– Council members can discuss ideas & issues with C-Team & OER

March 10 – Council receives draft priorities

March 17 – Council discusses, refines & votes

March 24 – C-Team presents EE Priorities to EE TWG

TBD – C-Team presents SRP Priorities to SRP TWG

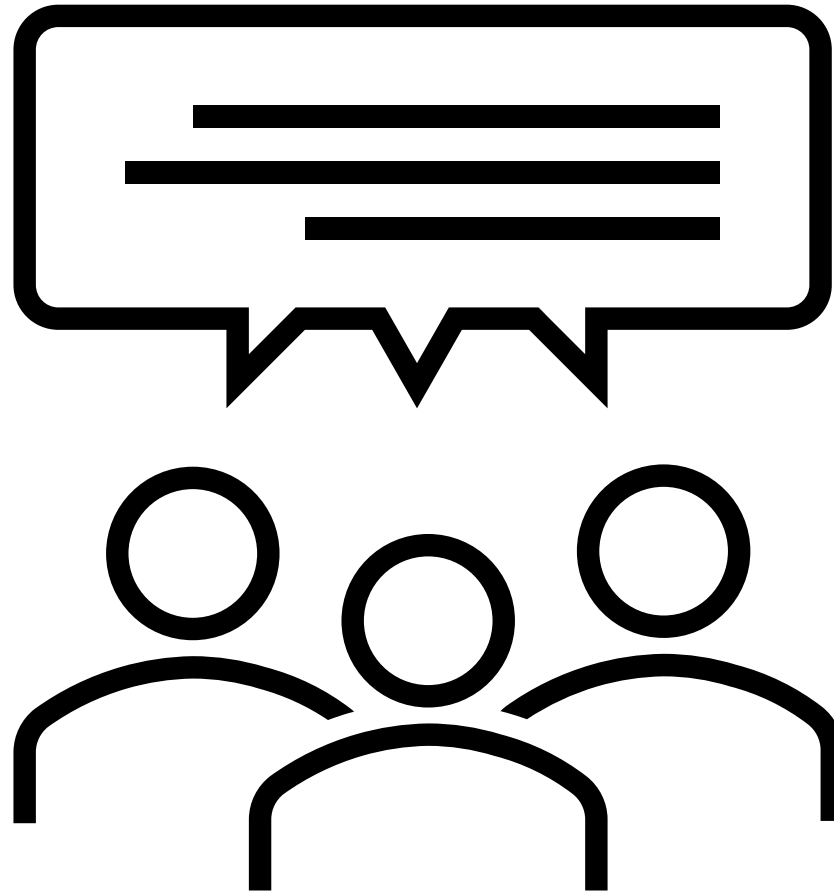


COUNCIL DISCUSSION





Council Member Discussion





APPENDIX





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

CONSULTANT TEAM

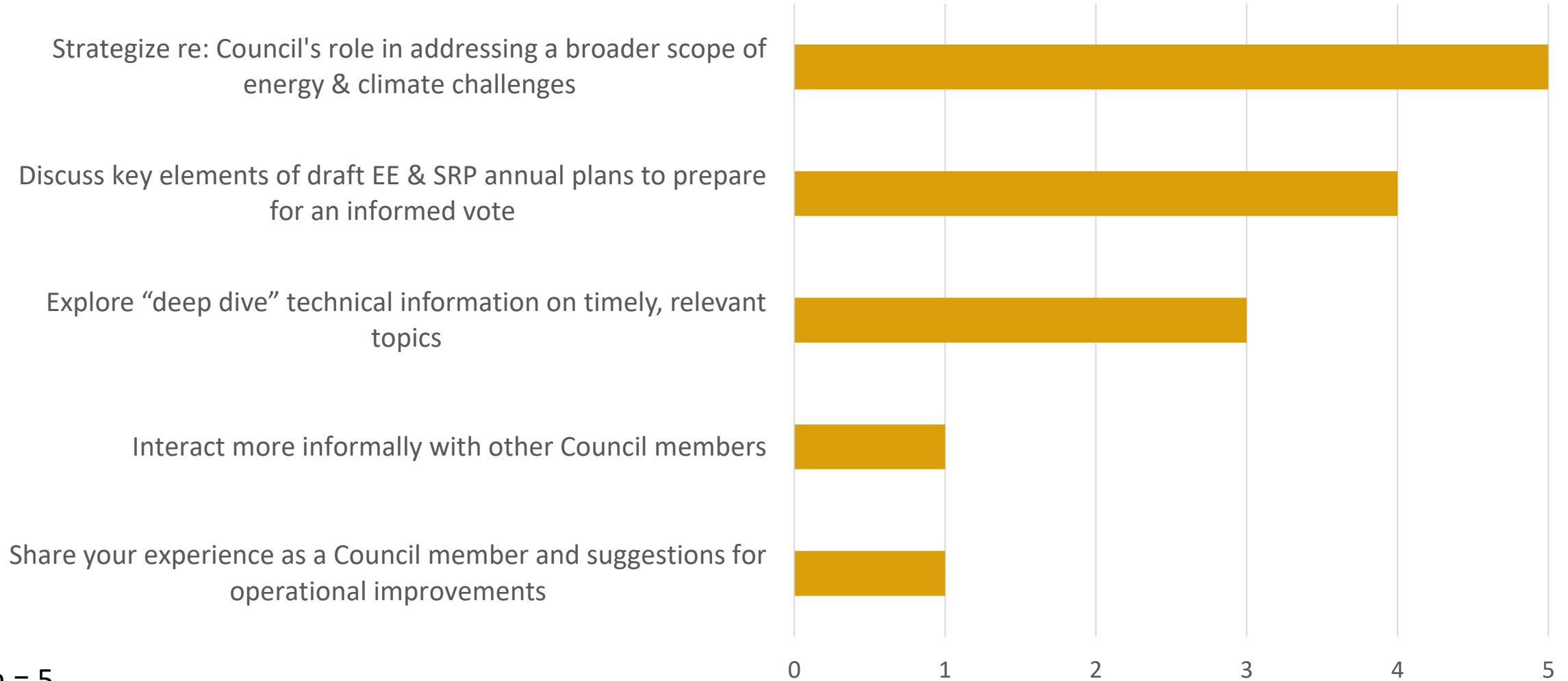
2022 Member Retreat Survey Results

EERMC Consultant Team
March 17, 2022





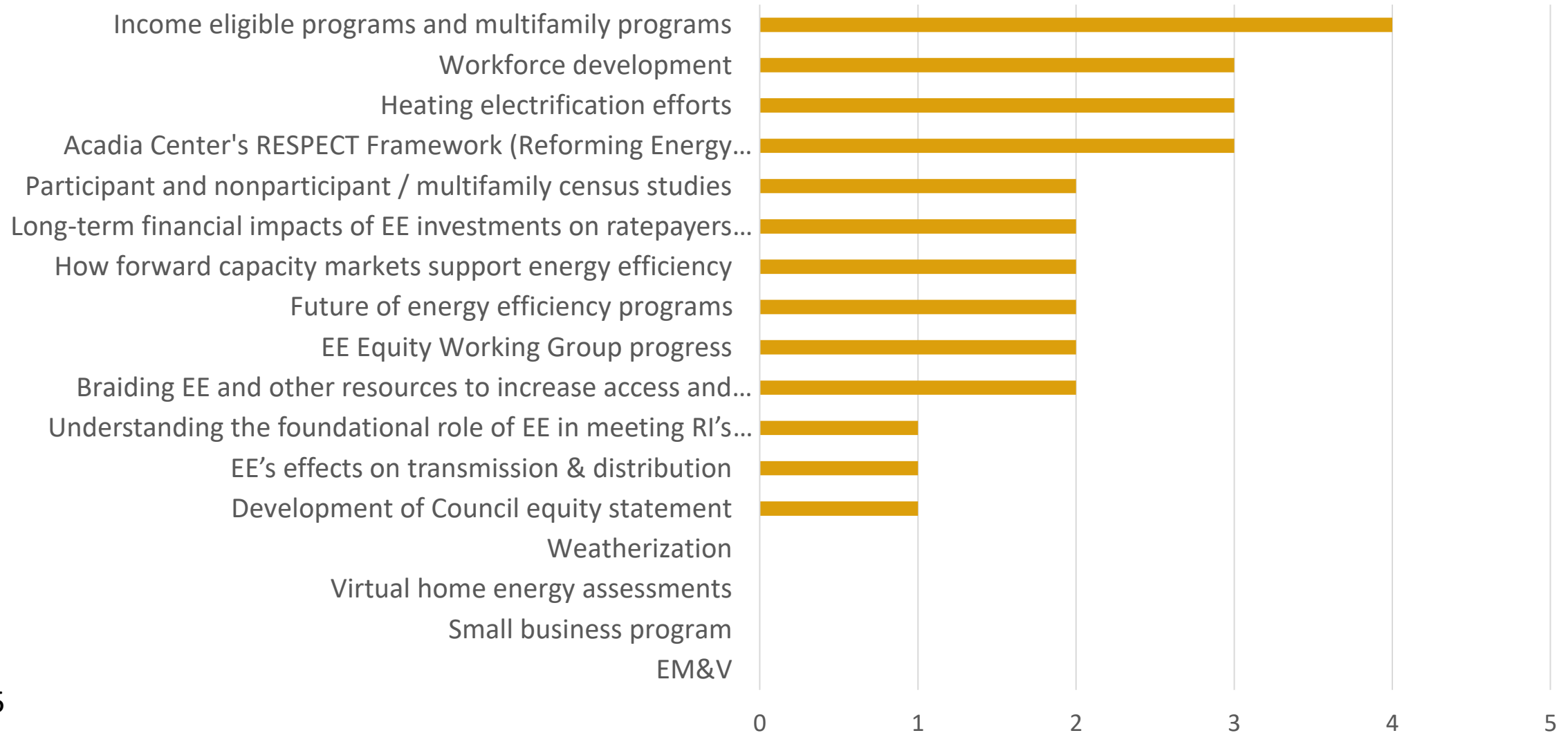
1. Which types of **activities** would you like to engage in at this year's retreats?



n = 5



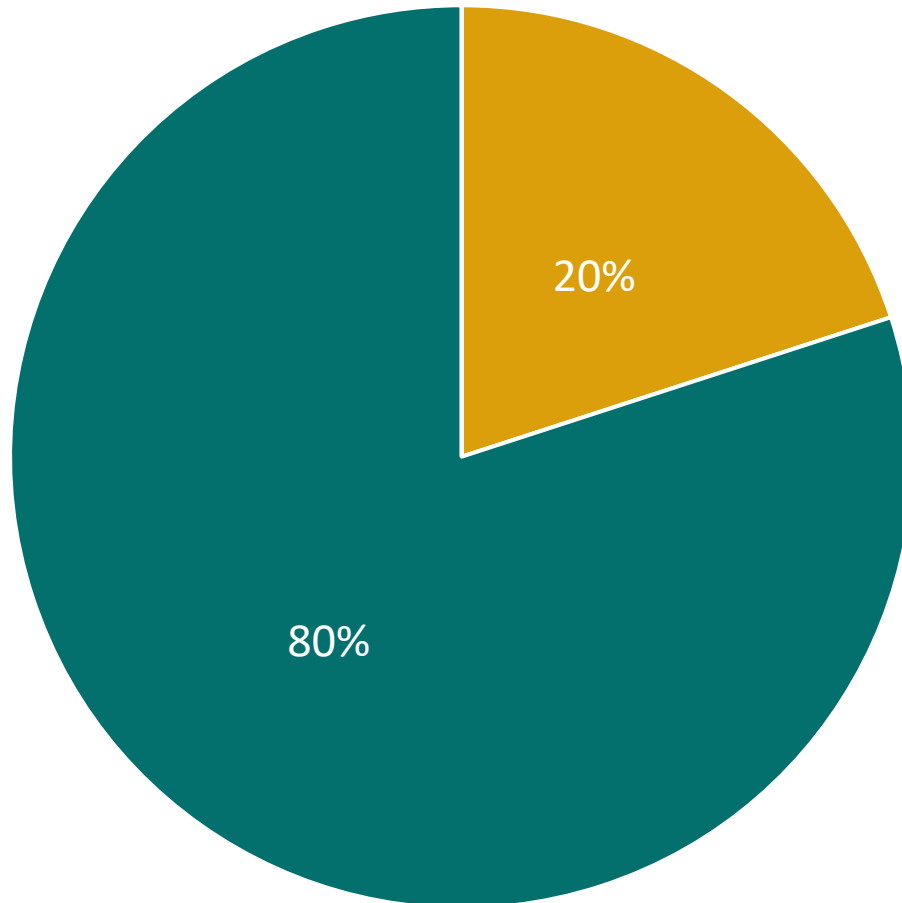
2. Which **topics** would you be interested in exploring more deeply at a retreat?



n = 5



3. How would you like to see the **breakdown of time** between technical presentations and discussion-based topics?

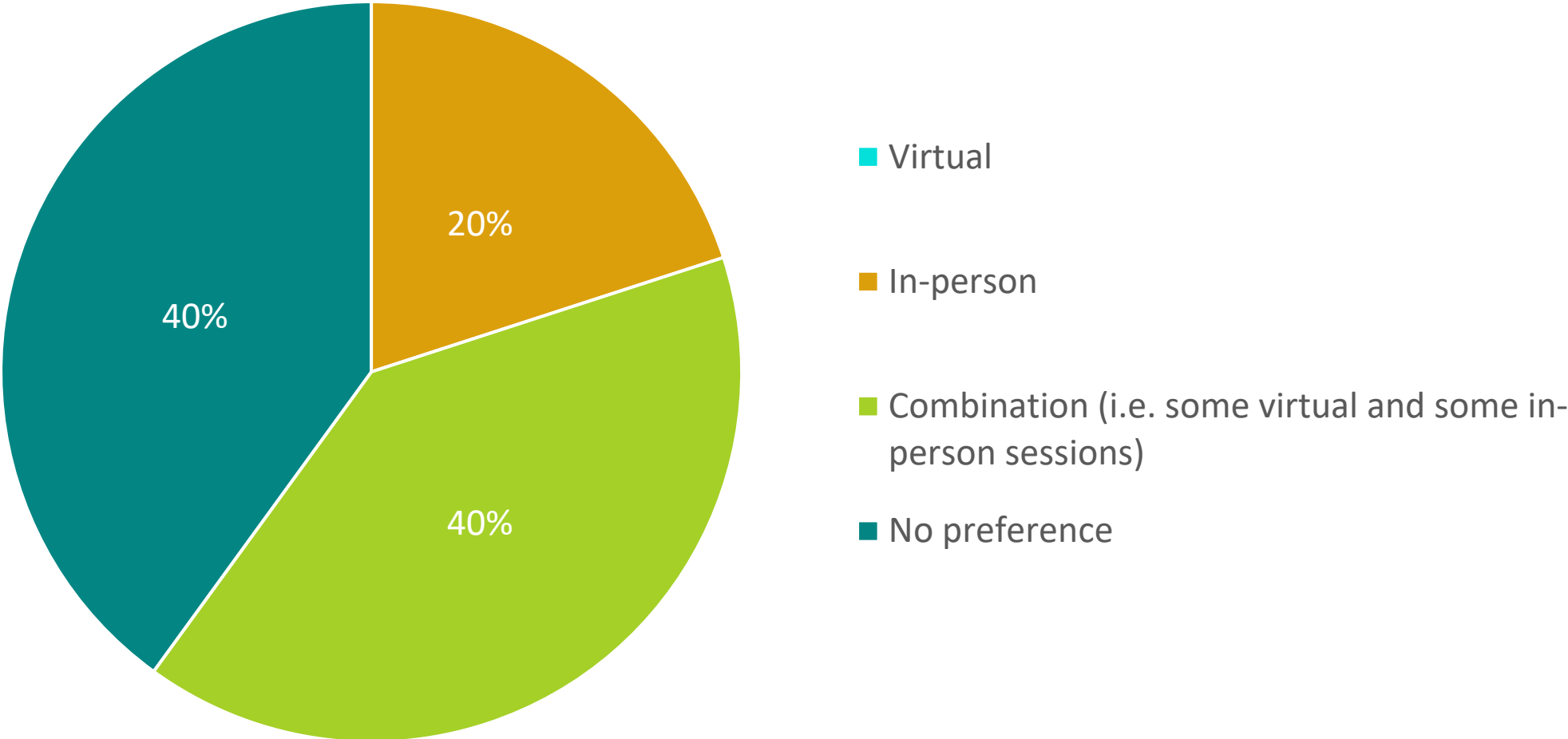


- More time for technical presentations than discussion based topics
- About equal time for each
- More time for discussion based topics than technical presentations

n = 5



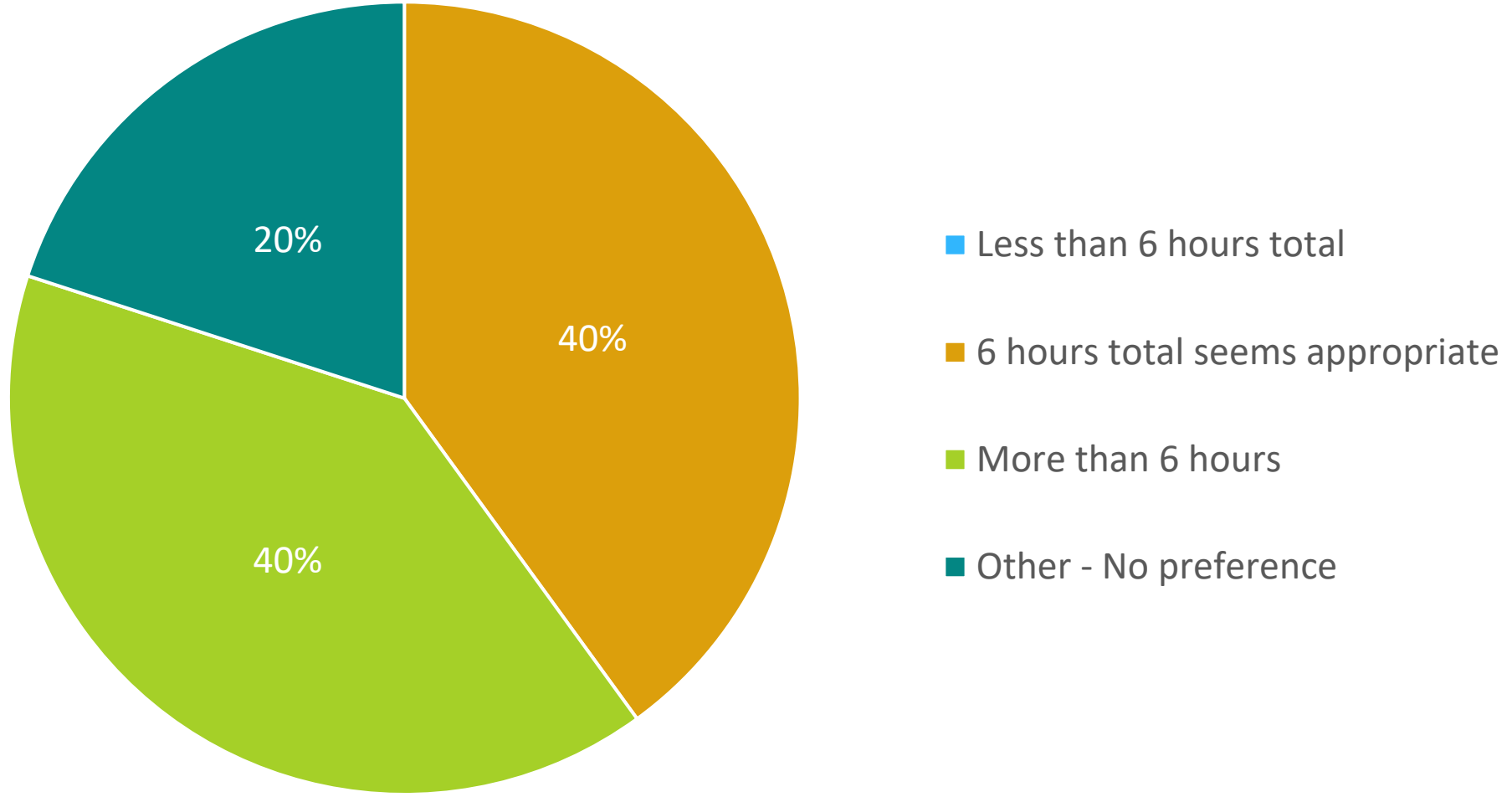
4. If the Council has the option to meet virtually, which **format** would you prefer?



n = 5



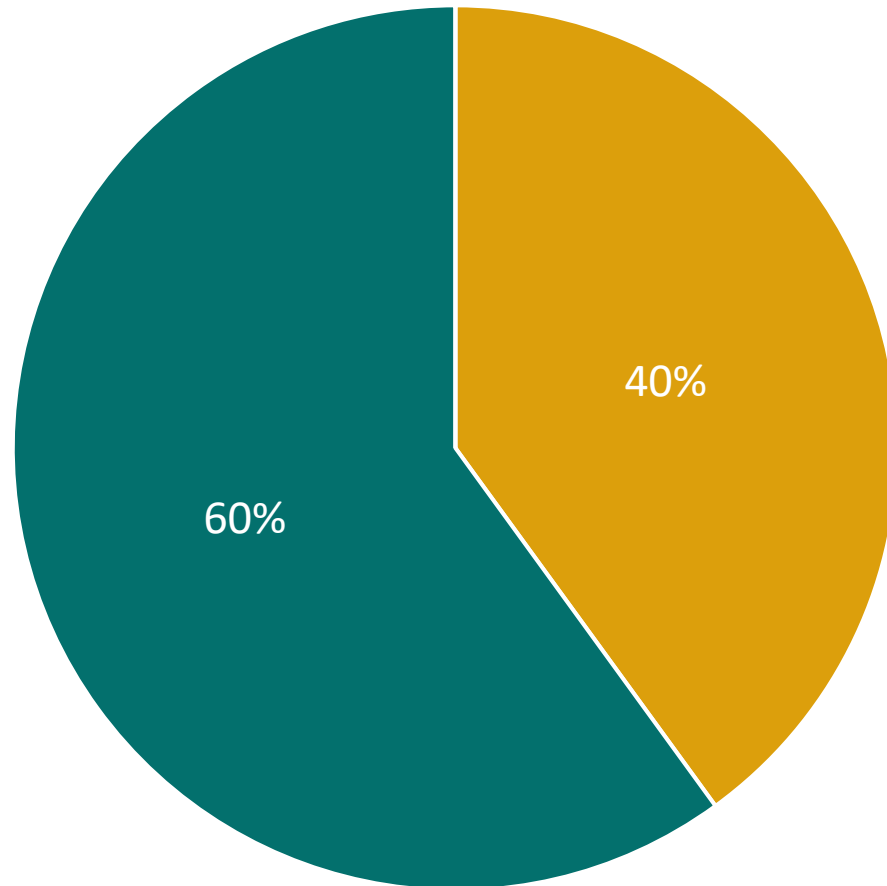
5. How much **total time** would you like to see allocated to 2022 retreat sessions?



n = 5



6. Assuming multiple retreat sessions, which would you prefer?



- Spread out over a couple days (e.g. one today, one tomorrow)
- Spread out over a couple weeks (e.g. one this week, one next week)
- Spread out over several months (e.g. one in May, one in September)
- No preference

n = 5

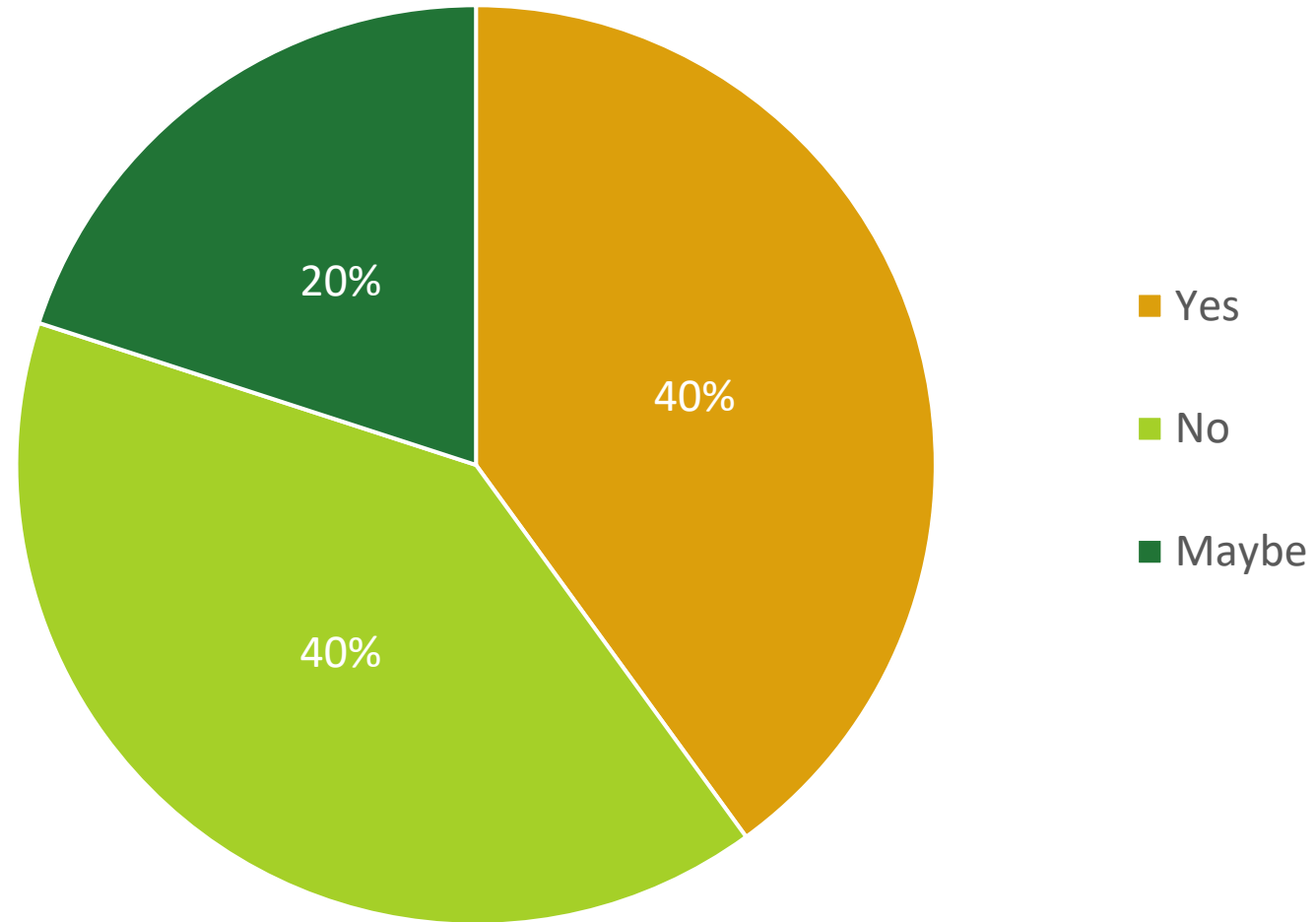


Other thoughts?

- *“I really enjoyed the retreat we had in Warwick. (I can't remember where it was) and would like to see that duplicated. No games please.”*
- *“The presentations at Save the Bay were excellent, but I felt there wasn't enough time to connect with fellow Council members to debrief and discuss the presentations and other topics. With the scrutiny on Council interchanges being so intense, I highly value any chance for informal conversations with my peers.”*



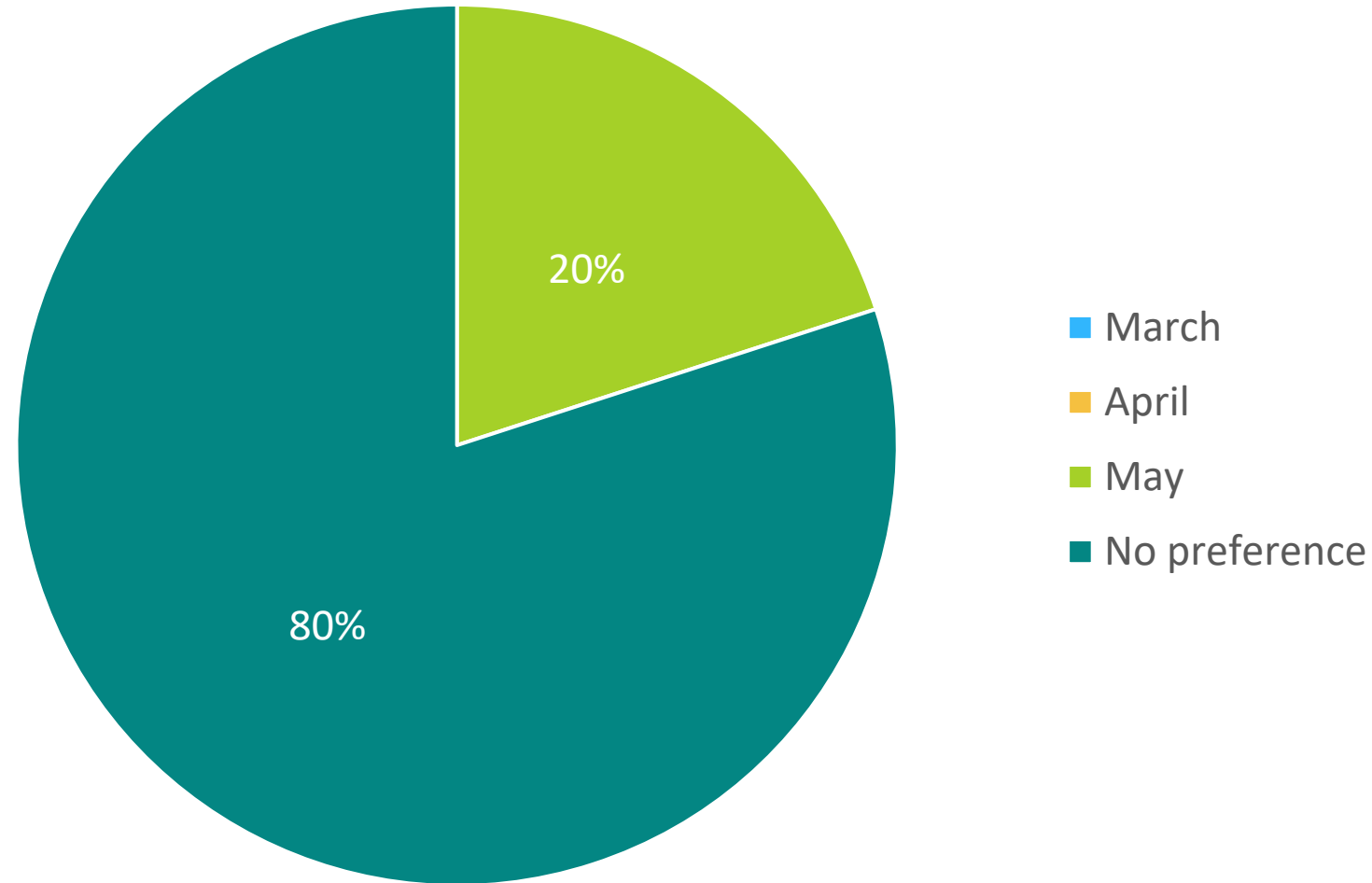
8. Are you interested in participating in a technical session on energy efficiency with the Public Utilities Commission (PUC)?



n = 5



9. What is your preferred timing for a PUC technical session?



n = 5

Exhibit 3



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Wednesday, April 27, 2022

Full Council Meeting | 4:30 - 6:30 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom

Members in Attendance: Anthony Hubbard, Sue AnderBois, Peter Gill Case, Karen Verrengia, Joe Garlick, Tom Maggliochetti

Others in Attendance: John Richards, Nathan Cleveland, Jesse Duroha, Sam Ross, Steven Chybowski, Brett Feldman, Nelson DiBiase, Craig Johnson, Rachel Sholly, Adrian Caesar, Eric Belliveau, Jessica Darling, Josh Kessler, Anika Kreckel, Kai Salem, Hank Webster, Amy Boyd, Angela Li, Ben Rivers, Greg Caggiano, Kate Grant

All meeting materials can be accessed at: <https://rieermc.ri.gov/meeting/eermc-meeting-april-2022/>

1. Call to Order

Acting Chair Hubbard called to order at 4:43 p.m.

2. Executive Director Report

Mr. Chybowski provided the Executive Director report in place of Commissioner Ucci. He shared that the Office of Energy Resources (OER) is drafting a Consultant Services RFP that will be available for review at the next meeting.

He noted for everyone that the Executive Climate Change Coordinating Council (EC4) will have three sharing sessions in May on the transportation sector to help determine how to meet the 2021 Act on Climate (AoC) goals and that those interested can go to climatechange.ri.gov for more details.

All Council members should have recently received a copy of the 2021 reconciliation of all EERMC payments made by National Grid on the Council's behalf.

Lastly, Mr. Chybowski noted that the DRIVE-EV rebate program is now open for public comment online, and OER plans to launch it this summer to provide incentives for the purchase or lease of new or used EVs. Those interested in more details or to make a public comment can visit drive.ri.gov.

3. Meeting Minutes – March 17, 2022

Mr. Garlick made a motion to approve the March 2022 meeting minutes as written, which was seconded by Ms. AnderBois. All voted to approve.

4. Acting Chairperson Report (5 min, 4:35 - 4:40 p.m.)

Acting Chair Hubbard reviewed the agenda for today's meeting, reminded everyone about the logistics of operating in a hybrid public meeting, and provided instructions for public comment for both those attending online and in person.

Acting Chair Hubbard closed his remarks by announcing that at the conclusion of today's meeting he would be stepping down from his position on the Council. He stated that while he has enjoyed his service on the Council immensely, his growing work commitments have made continued, fully representative service impossible and so after much long and careful consideration he has decided to step down. This will ensure someone can be appointed to serve the income-eligible sector with the time to dedicate to representing that important demographic.

Acting Chair Hubbard was thanked for his service and leadership by Councilmembers and attendees of the meeting.

5. Program Oversight (5 Minutes, 4:40 – 4:45 p.m.)

a) Review 2023 Energy Efficiency Plan Development Process (5 minutes, 4:40-4:45 p.m.)

Mr. Johnson provided some brief updates on upcoming work for 2023 Energy Efficiency planning, which includes scheduling deep dive meetings for each sector, as well as cross-sector work like workforce development and equity. He also noted that the Plan Outline Memo for the 2023 EE plan will be coming in June, followed by the first draft of the 2023 EE plan in July from the National Grid.

Ms. Sholly quickly reviewed the results of the Councilor survey and presented potential options for Councilor retreats in 2022:

Option 1 – A half-day retreat in late May and another in early November

Option 2 – a half-day retreat in late May and another in early August

Mr. Gill Case indicated his preference for option 1; Ms. AnderBois agreed and there were no objections from others about pursuing the retreat timing laid out in option 1.

6. Council Business (75 Minutes, 4:45 – 6:00 p.m.)

a) Review and Potential Vote on Consultant Team Revised Scope of Work and Budget (15 minutes, 4:45-5:00 p.m.)

Please refer to the [Updated Consultant Team Scope of Work \(Revised\)](#).

Mr. Ross reviewed the memo discussing the 2022 scope of work (SOW) and budget for the consultant team and highlighted the changes in this SOW compared to the prior version. Those changes include reorganized tasks and subtasks to clearly align with how work is conducted and will be billed and a reduction of the overall budget down to \$659,529 for calendar 2022.

Mr. Ross then reviewed the new work plan structure, containing 7 tasks reoriented around key work areas for the consultant team, which are:

Energy Efficiency Program Planning and Implementation Oversight

System Reliability Procurement

Regulatory Proceedings

Council Sponsored Meetings and Materials

Research, Analysis, and other Council Support

Administrative

EERMC Intern

Mr. Gill Case requested that Chairperson be cc'd on each invoice when it comes into the Office of Energy Resources (OER) for payment, from all vendors. He noted that the Council and OER are two different entities and so someone on the Council should have visibility into the invoicing process.

Mr. Ross noted two additional minor changes from prior scopes of work, which are that the consultant team will not be taking meeting minutes and that they are also transitioning some website-related maintenance and update tasks to OER.

Ms. Verrengia asked if the EERMC Intern was fully supporting Council work tasks or if they would be supporting Optimal Energy broadly.

Mr. Ross made clear that the inaugural Mike Guerard Energy Fellow would be exclusively supporting Council business and that Mr. Duroha, the 2022 Fellow, was part of the URI Energy Fellow program.

Mr. Garlick made a motion to approve the modified 2022 scope of work for the Consultant team, led by Optimal Energy, and the associated budget for that scope of work as presented at the April 27th, 2022 Council Meeting. Further to direct the Office of Energy Resources to incorporate this approved scope of work and budget into the current consultant services contract. Ms. Verrengia seconded the motion, and all voted to approve.

b) Review and Vote on 2022 EERMC Budget (10 minutes, 5:00-5:10 p.m.)

Please refer to the [2022 EERMC Budget Proposal](#).

Mr. Chybowski reviewed the 2022 Council budget proposal, noting the significant change from last month is the new, lower consultant team budget that was just approved

Ms. Verrengia asked if the Council should allocate some money, perhaps within the education budget, towards some website improvements and Council branding work in 2022.

Mr. Gil Case suggested adding an additional \$20,000 to the legal budget from unallocated funds to ensure that the Council has enough to cover legal expenses should another contested case arise.

Mr. Feldman wanted to clarify that all the proposals being made are for calendar-year 2022 work using 2022 income, which Mr. Cleveland confirmed is the case.

Ms. Sholly noted that the last time annual reports were printed in 2020, the cost was approximately \$1,500 for 100 reports, and asked if that line item should be increased.

Ms. Verrengia suggested increasing the allocation to \$2,000 and Mr. Gill Case proposed increasing it to \$3,000, noting that budgeting that amount allows us to cover those expenses but does not commit us to spending that full amount.

Mr. Gill Case made a motion to adopt the 2022 EERMC budget as presented by the Office of Energy Resources (OER) on April 27th, 2022, with the following amendments: to allocate an additional \$20,000 to legal services from the unallocated funds and to allocate an additional \$2,000 to annual report printing from unallocated, and to further direct OER to continue providing regular updates on Council spending throughout the year. Ms. AnderBois seconded the motion, and all voted to approve.

c) Discussion and Potential Vote on Priorities for 2023 Energy Efficiency Annual Plan (20 minutes, 5:10-5:30 p.m.)

Please refer to the [Consultant Team EERMC 2023 Plan Priorities Presentation](#).

Mr. Johnson reviewed the reasoning for why the Council develops priorities for the upcoming energy efficiency plan and outlined the suggested priorities for the 2023 plan.

Mr. Ross highlighted that the process to collect stakeholder priorities, including the Council's, is different this year as National Grid issued a survey to stakeholders instead of having stakeholders present at a Technical Working Group (TWG) meeting as in the past.

Mr. Garlick indicated that he is hoping that these forthcoming non-participant and multi-family studies will help broaden National Grid's equity focus beyond workforce-related equity.

Mr. Ross then reviewed recommended priorities for System Reliability Procurement (SRP), noting the emphasis on robust methodological development to programs and screening tools.

Mr. Gill Case asked if the Council could add something that is explicit about addressing climate as a priority.

Ms. AnderBois stated that she also felt we should incorporate climate as a priority, using it not only as a lens as we review plans but also because energy efficiency is a foundation to meeting the 2021 Act on Climate goals and we need to be supportive of it and sufficiently aggressive enough with our efforts in order to reach those mandates.

Mr. Feldman asked about the timing of the potential study update.

Mr. Ross replied that with budget approval for that work just coming today, the consultant team will now start to discuss and engage stakeholders and begin that procurement process, with an aim towards getting a vendor onboarded such that their output can serve as a reference for the next target setting process and upcoming planning cycles.

Mr. Gill Case made a motion to adopt the Priorities for the 2023 Energy Efficiency Annual Plan as presented by the Consultant team, led by Optimal Energy, on April 27th, 2022, with the following amendment: to add consideration of climate goals, particularly the 2021 Act on Climate, as a part of the Council priorities going forward. Ms. Verrengia seconded the motion, and all voted to approve.

d) Review and Potential Vote on Draft of 2022 EERMC Annual Report (10 minutes, 5:30-5:40 p.m.)

Please refer to the [Consultant Team 2022 EERMC Annual Report Presentation \(Revised\)](#).

Ms. Sholly reviewed the draft of the 2022 EERMC Annual Report, highlighting what is still needed to finalize the document. She also noted that some substantive feedback from several council members had recently been received about areas to enhance and add to the report that improve narrative around EERMC activity, priorities, and positions. She then reviewed the timeline for finalization of the report ahead of the May meeting.

Ms. AnderBois noted that she was one of the people providing recommendations recently and felt that the policy recommendations could use some additions.

Mr. Gill Case suggested that the Council might have one additional meeting, perhaps as a one-off task force meeting, to provide additional feedback on the report before the next full Council meeting. Mr. Gill Case and Ms. AnderBois volunteered to be a part of that meeting and the consultant team indicated they would connect with all Councilors to ensure all who want to participate in that conversation are able.

Ms. AnderBois asked if this additional meeting could this go through the education working group, rather than a new sub-committee.

Acting Chair Hubbard asked about virtual participation of Council members at this annual report meeting and if no votes are being taken, would that be allowed?

Mr. Cleveland responded by first deferring to legal counsel for a formal position, but indicated that his understanding is that listen-only attendance would be allowed by a Council member at that meeting so long as open meeting act requirements followed.

Ms. Sholly noted that she would follow up with counsel to confirm before scheduling.

e) Review and Potential Vote on 2022 Lecture Series and Public Forum Request for Proposals (10 minutes, 5:40-5:50 p.m.)

Please refer to the [2022 Lecture Series and Public Forum RFP \(Draft\)](#).

Ms. Sholly recapped the past work that has been completed in putting together the public forum and lecture series as well as the energy-focused K-12 educator training. She noted that the Council is looking to do that work again in 2022 and that requests for proposals (RFPs) have been drafted, with some revisions, to provide additional clarity to respondents and review committee around expectations of Council for this work.

Acting Chair Hubbard asked if the education committee had reviewed the RFPs already.

Ms. Sholly indicated that they had also recommended these items as specific inclusions in the budget that was approved earlier in the meeting.

Acting Chair Hubbard made a motion to approve the 2022 Lecture Series and Public Forum RFP as presented by the Consultant team, on April 27th, 2022, and to direct the Office of Energy Resources (OER) to issue the request for proposals. Ms. AnderBois seconded the motion, and all voted to approve.

f) Review and Potential Vote on 2022 K-12 Education Request for Proposals (10 minutes, 5:50-6:00 p.m.)

Please refer to the [2022 K-12 Education RFP \(Draft\)](#).

Ms. AnderBois made a motion to approve the 2022 K-12 Education Request for Proposals RFP as presented by the Consultant team, on April 27th, 2022, and to direct the Office of Energy Resources (OER) to issue the request for proposals. Acting Chair Hubbard seconded the motion.

Mr. Garlick asked if the training offered is restricted to schoolteachers. He indicated that he would like to make sure this is open to after-school programs/community organizations and other educators outside just schools.

Ms. Sholly indicated that while titled and focused on K-12 educators, the trainings are indeed open to all types of educators.

Ms. Verrengia had concerns about language in the RFP, specifically around “enhancements from GBRI” as it relates to the curriculum being used to conduct the trainings. She noted that she is not sure what those enhancements are and is a little wary of including that language mandating that version of the curriculum be used in future trainings.

Ms. AnderBois modified her motion, to include an amendment stating that the RFP be modified to not restrict curriculum being used by winning bidder to the GBRI curriculum. Mr. Gill Case seconded the modified motion, and all voted to approve.

7. Special Topics (25 Minutes, 6:00 – 6:25 p.m.)

a) Acadia Center Presentation on the RESPECT Proposal (25 minutes, 6:00pm – 6:25p.m.)

Ms. Boyd from the Acadia Center walked through their policy idea about reforming the existing energy regulatory framework into a new model, Reforming Energy System Planning for Equity and Climate Transformation (RESPECT), to better align system planning with climate and equity goals. Their research into regulatory systems led them to believe that this system was no longer working in concert with broader climate goals – utilities are charged with the three key functions of planning, owning, and serving – which gives them lots of power and planning and owning are often in conflict.

Therefore, Ms. Boyd noted that the Acadia Center feels that utility planning, as currently structured, is insufficient to meet the climate challenge given inherent conflicts in the current model. She stated that this flawed system leads to real, negative impacts in communities as a result as the incentives are aligned for siloed and not holistic, solutions.

Ms. Boyd indicated that their RESPECT framework proposes two key reforms to solve this power imbalance and conflicts of interest.

1. Conduct “all in” energy system planning considering all resources, as well as climate and equity impacts; and
2. Create statewide planning entities that can look for solutions beyond utility boundaries and take that function off the plate of utilities, eliminating one conflicting of interest between planning and owning – their proposal splits planning, owning, and serving functions across three distinct entities.

Ms. Boyd stated that as a result of this systemic reimagining, holistic solutions are identified and informed by community input, which are procured competitively and address comprehensive needs all in one package as opposed to siloed, individual investments. Owning entities can meet this comprehensive need and get new business opportunities and create jobs. The serving entity can then serve the area more efficiently and lower their costs.

Ms. Verrengia stated that she liked a lot of these ideas and asked if the Acadia presentation is educational or is there a specific ask of the Council. She also asked what the plan is to bring these ideas to Rhode Island.

Ms. Boyd responded that this presentation is part of Acadia's education roadshow getting this idea and framework out there and indicated that Mr. Webster will be leading the efforts here in Rhode Island on this policy idea.

Mr. Feldman noted that it can be hard to decouple planning from operation entirely, and that safety and reliability issues in particular need to be considered.

8. Public Comment

Hank Webster, Acadia Center

Mr. Webster stated that he and the Acadia Center appreciate including climate as a priority for energy efficiency by the EERMC. He would encourage the Council to be bold with their recommendations, as advocates can use those in other forums to advance these broader goals.

He also flagged for everyone that the electrification of heating and cooling is a big topic and that the June EC4 sharing sessions are all about the decarbonization of buildings. Having a strong climate recommendation from the EERMC that the Acadia Center could refer to would be very useful there as well.

Lastly, he noted that Washington State just passed a new building code that will require all electric buildings and asked, if they can do that there, why not here in Rhode Island as well?

9. Adjournment

Acting Chair Hubbard adjourned the meeting at 6:35 p.m.

Exhibit 4



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

CONSULTANT TEAM

EERMC Priorities 2023 Planning Priorities

Presented By: EERMC C-Team

Date: April 27, 2022





Outline

Background

Proposed Priorities for 2023 Plan

Brainstorming 2023 Plan Priorities

Next Steps

Council Discussion

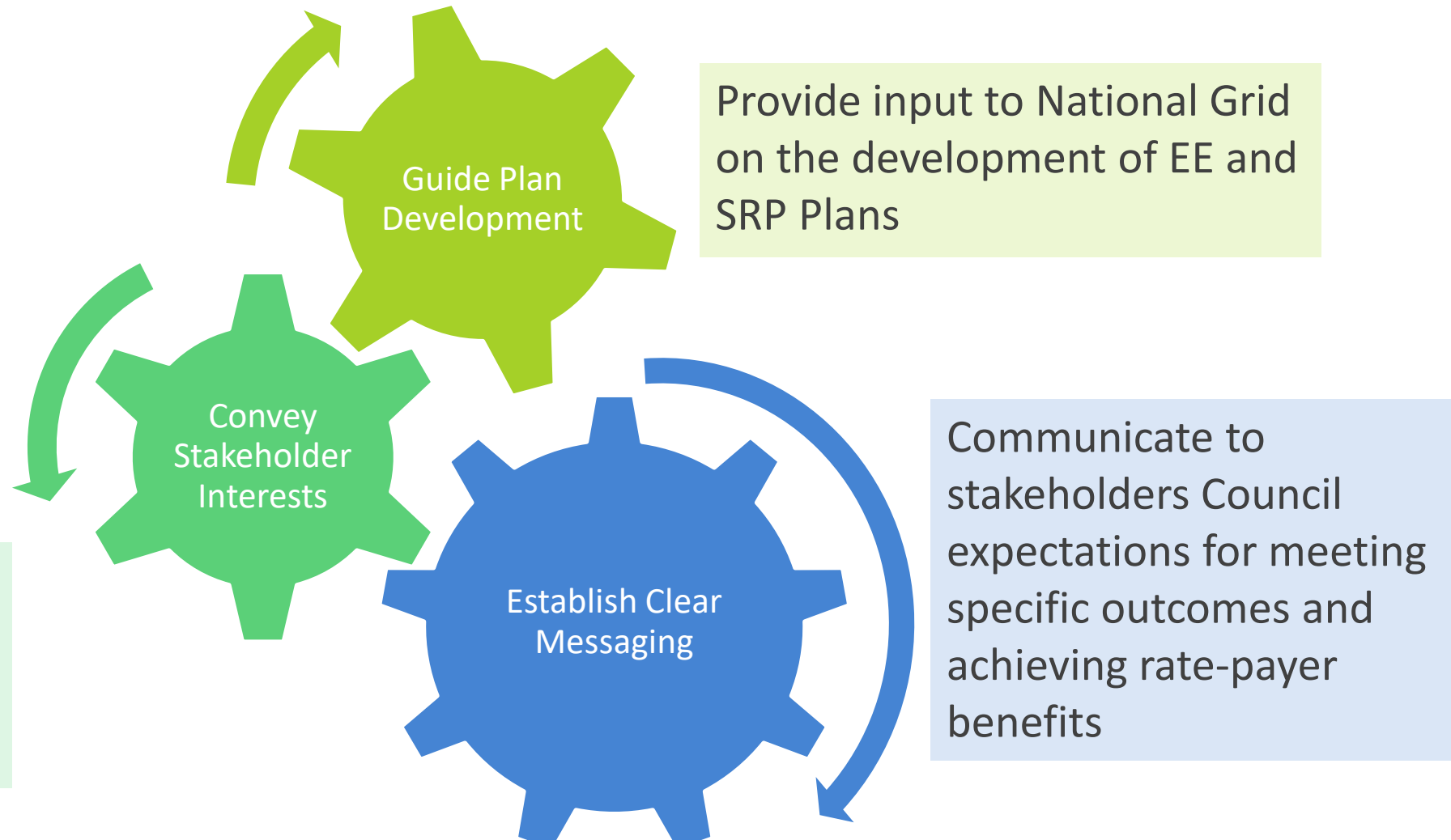


BACKGROUND





Why set EE and SRP Priorities?



Show understanding of, and responsiveness to, stakeholder interests and objectives

Provide input to National Grid on the development of EE and SRP Plans

Communicate to stakeholders Council expectations for meeting specific outcomes and achieving rate-payer benefits



Why set EE and SRP Priorities?

SUPPORT

Support LCP law per EERMC's legislated role

RESPOND

Respond to evolving trends

ALIGN

Align with Policy Recommendations

BALANCE

Balance "what & why" vs. "how"



How Are Priorities Used?

Stakeholder Communication

- Presented to EE Technical Working Group

Plan Review

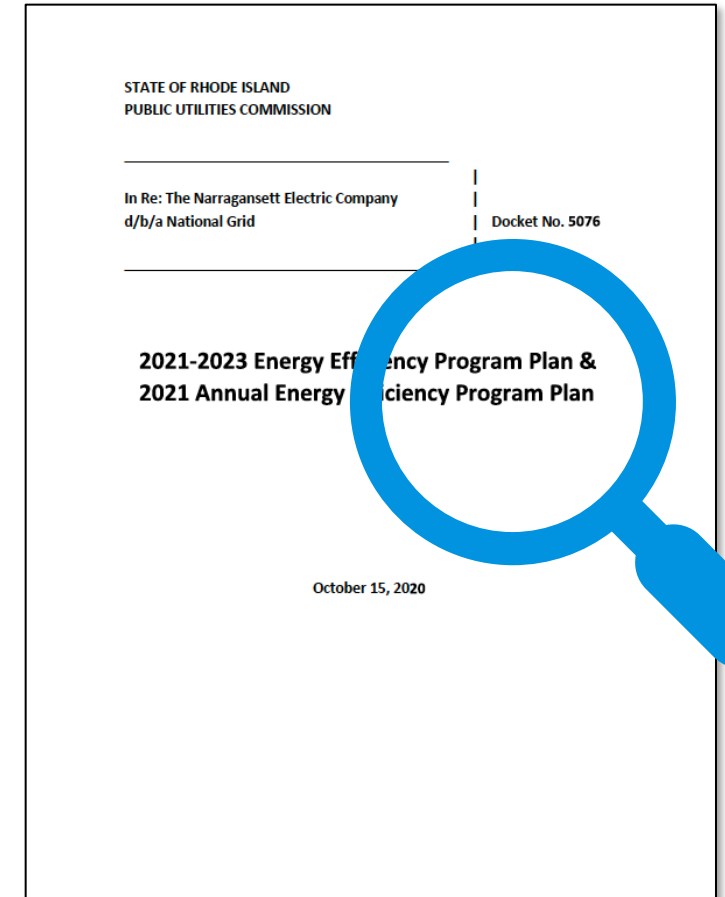
- Consistently referenced during C-Team review of Plan drafts and final versions

EERMC Website

- Will be featured on EERMC website to promote public understanding of key EE objectives supported by the Council

Regulatory Proceedings

- Often cited in regulatory proceedings in testimony and written comments





2023 PROPOSED EE PLAN PRIORITIES





Reference Points

- 1 2021-2023 Plan and Compliance Filing
- 2 LCP Standards
- 3 Stakeholder Input
- 4 2022 Annual Plan
- 5 EERMC's Summary Report



Key Priority Buckets

Align with Three-Year Plan

Comply with LCP Standards

Incorporate Stakeholder Input

Support Equity & Access

Ensure Effective & Efficient Development & Review Process



1. Align with Three-Year Plan

Align with Three-Year Plan

Comply with LCP Standards

Incorporate Stakeholder Input

Support Equity & Access

Ensure Effective & Efficient Development & Review Process

Identify how each of the “5 Key Priorities” will apply in the 2023 Plan

Reference “Base” and “High” Scenarios for savings and benefits goals

Pursue cost-efficiency to deliver maximum savings and benefits

Align mix of savings with Market Potential Study (MPS)



2. Comply with LCP Standards



Apply the clear, outcome-oriented direction provided in the LCP Standards section on General Plan Design and Principles for annual planning

Include key metrics to be tracked and reported



3. Incorporate Stakeholder Input

Align with Three-Year Plan

Comply with LCP Standards

Reflect priorities received through National Grid Survey and Technical Working Group member input

Incorporate Stakeholder Input

Support Equity & Access

Incorporate input from robust and actionable Customer Feedback Activities

Ensure Effective & Efficient Development & Review Process



4. Support Equity & Access



Fulfill and apply results to 2023 Plan from the 2022 Plan commitments, including:

- Nonparticipant Market Barriers Study (May 2022)
- Participation and Multifamily Census Study (May 2022)
- Enhancements stemming from recommendations of the Equity Working Group (EWG)

Demonstrate progress on – and build upon – enhancements in 2022 Plan related to EWG recommendations

Include clear, detailed remediation strategies to assure corrective action on underperforming programs



5. Development Review Process



Adhere to *Key Deliverables and Schedule*

- Assure necessary time is afforded to the EERMC and stakeholders to participate in, review and reach clear understanding of the content of the 2023 EE Plan sufficient to make informed decisions on whether to endorse the Plan



2023 PROPOSED SRP PLAN PRIORITIES





2023 SRP Plan Priorities

Category	The 2023 System Reliability Procurement Plan Should...
Responsiveness	Demonstrate continued responsiveness to Council and other stakeholder input, including specific points identified in the Council's comments on the SRP 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 the NPA program and other methodological refinements, including in the context of benefit cost analysis and assessing internal EE and DER solutions to grid needs



BRAINSTORM 2023 PLAN PRIORITIES





Brainstorming 2023 Plan Priorities



What *recent developments* should factor into 2023 Plan design?

- Ongoing economic issues, primarily driven by COVID
- PUC rulings on 2022 Annual Plan
- Legislative & policy trends (local, state, federal)
 - Includes additional program funding opportunities
- 2021 performance (and 2022 to-date) at program, sector & portfolio levels
 - Including status of commitments made in 2022 Plan



Brainstorming 2023 Plan Priorities



What are the *current challenges* facing your constituent group?

What *new developments* are you seeing?

Can *energy efficiency play a role* in addressing those challenges and developments?

How should the 2023 EE & SRP Plans be developed to best *meet the current needs* of your constituent group?

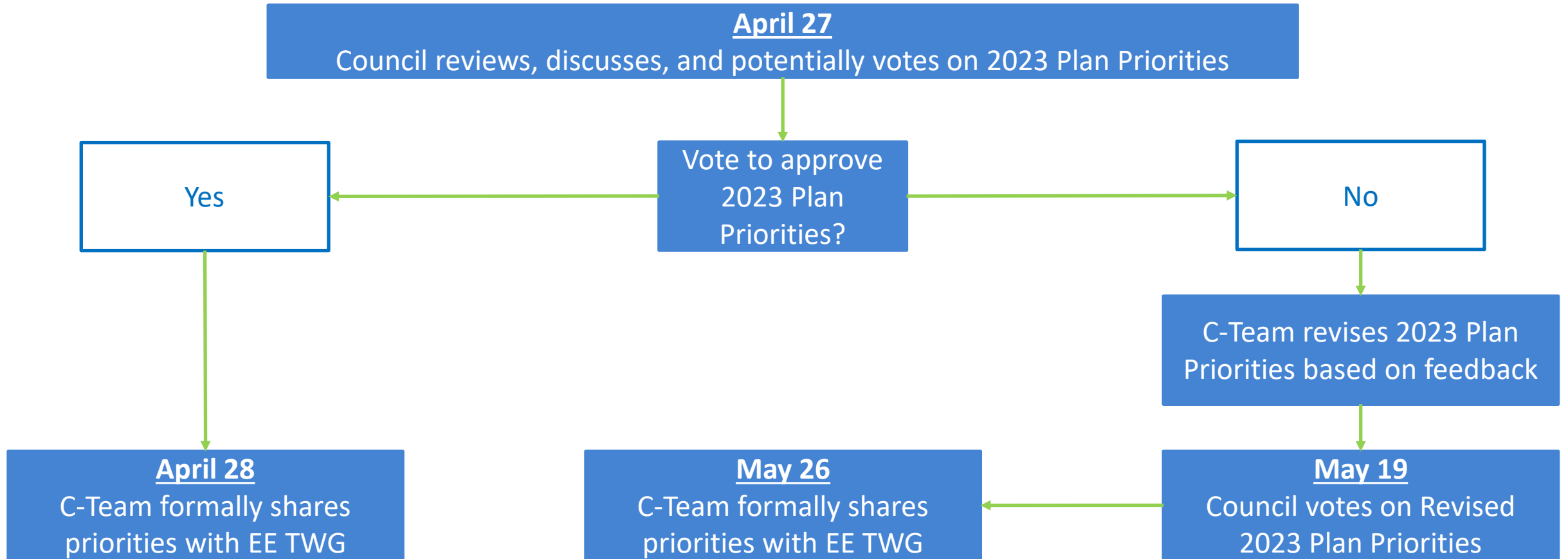


NEXT STEPS





Next Steps



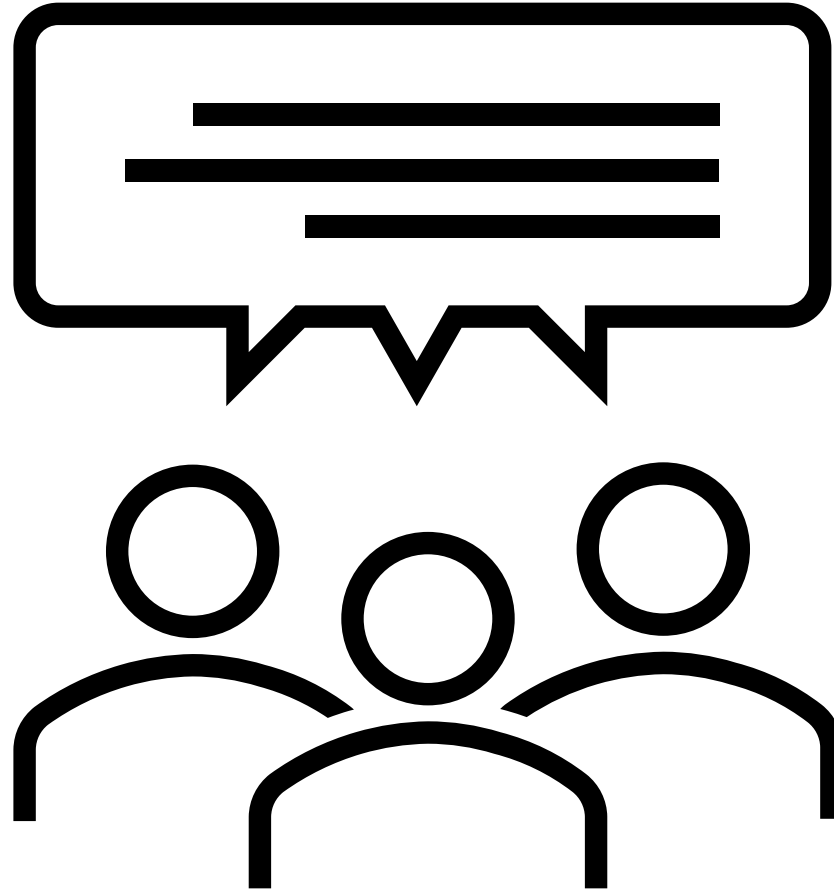


COUNCIL DISCUSSION





Council Member Discussion





APPENDIX



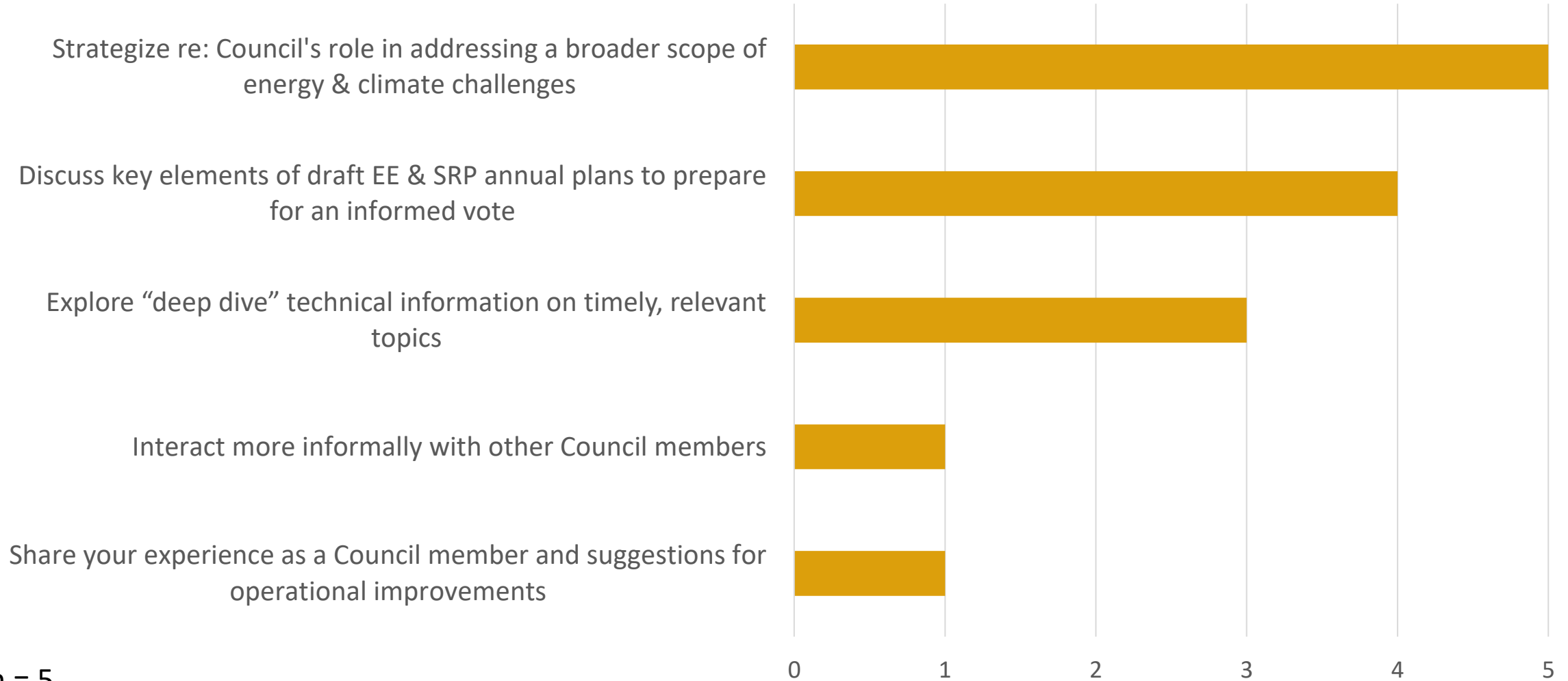


2022 MEMBER RETREAT SURVEY RESULTS



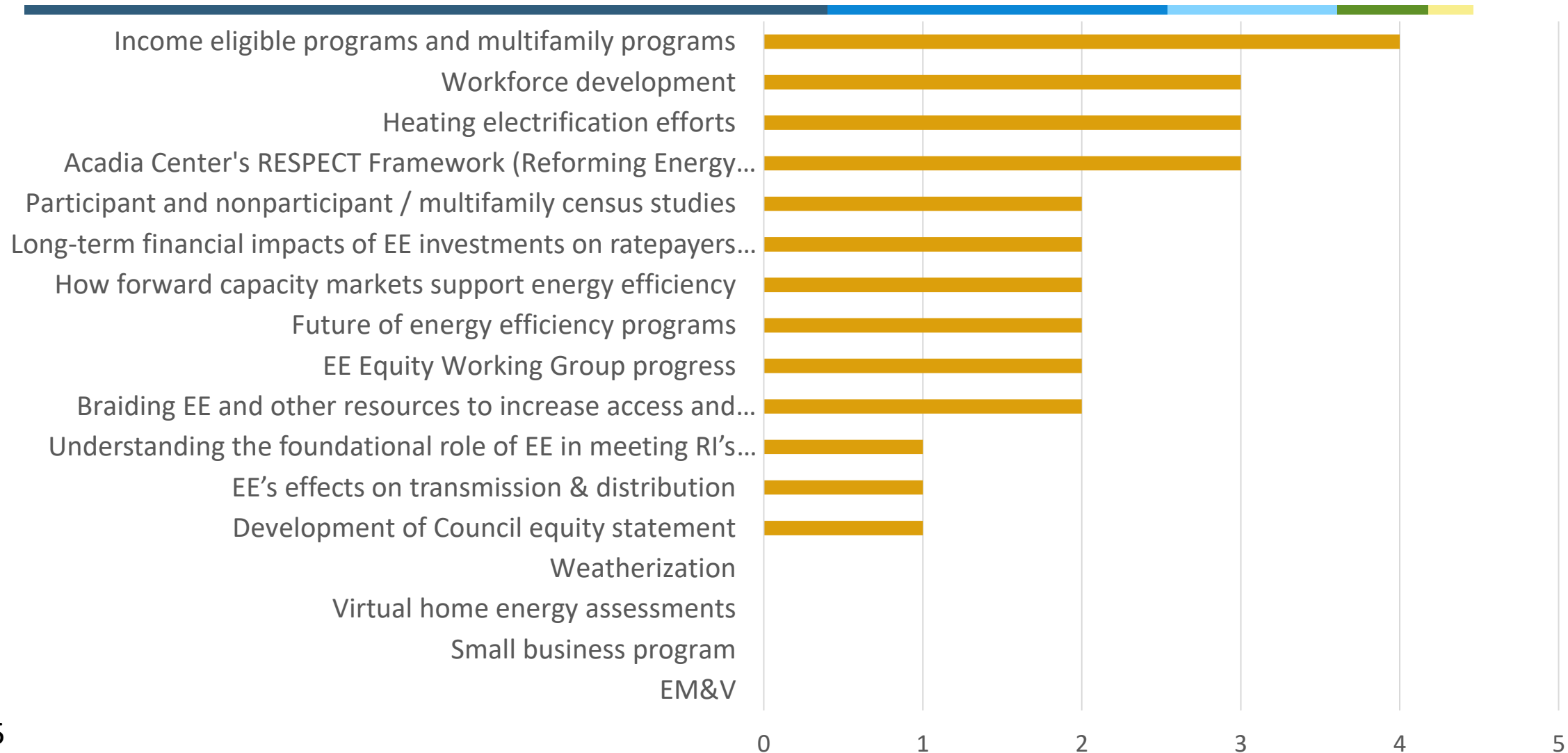


1. Which types of **activities** would you like to engage in at this year's retreats?





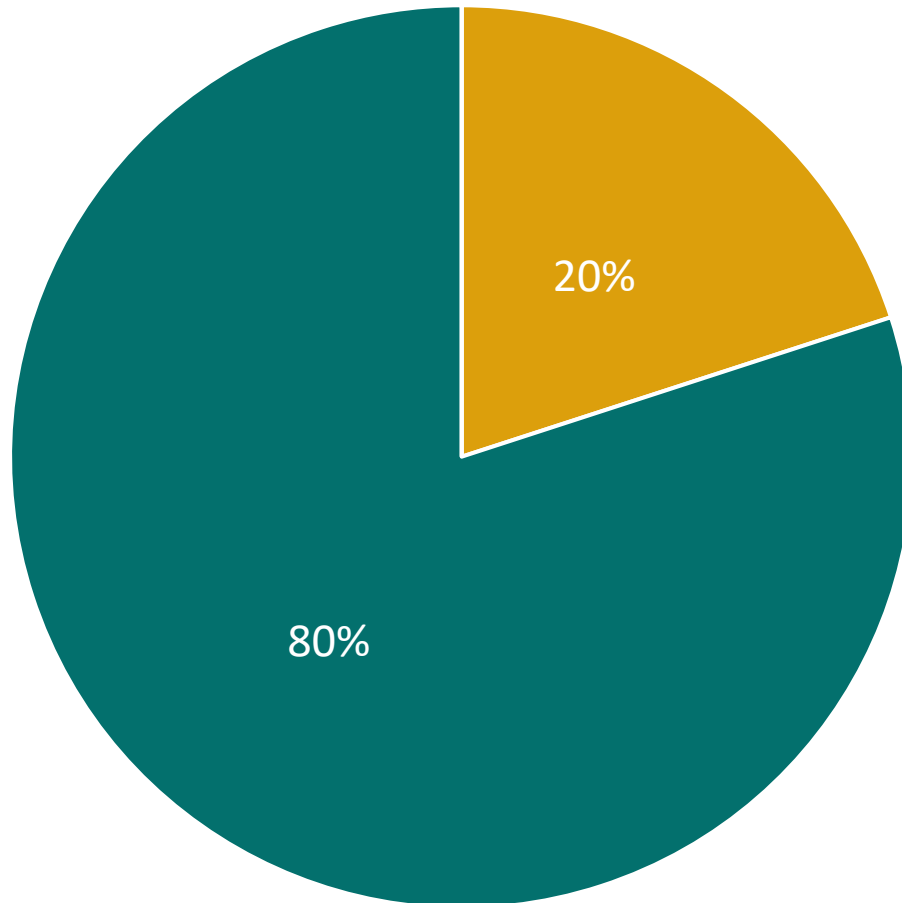
2. Which **topics** would you be interested in exploring more deeply at a retreat?



n = 5



3. How would you like to see the **breakdown of time** between technical presentations and discussion-based topics?

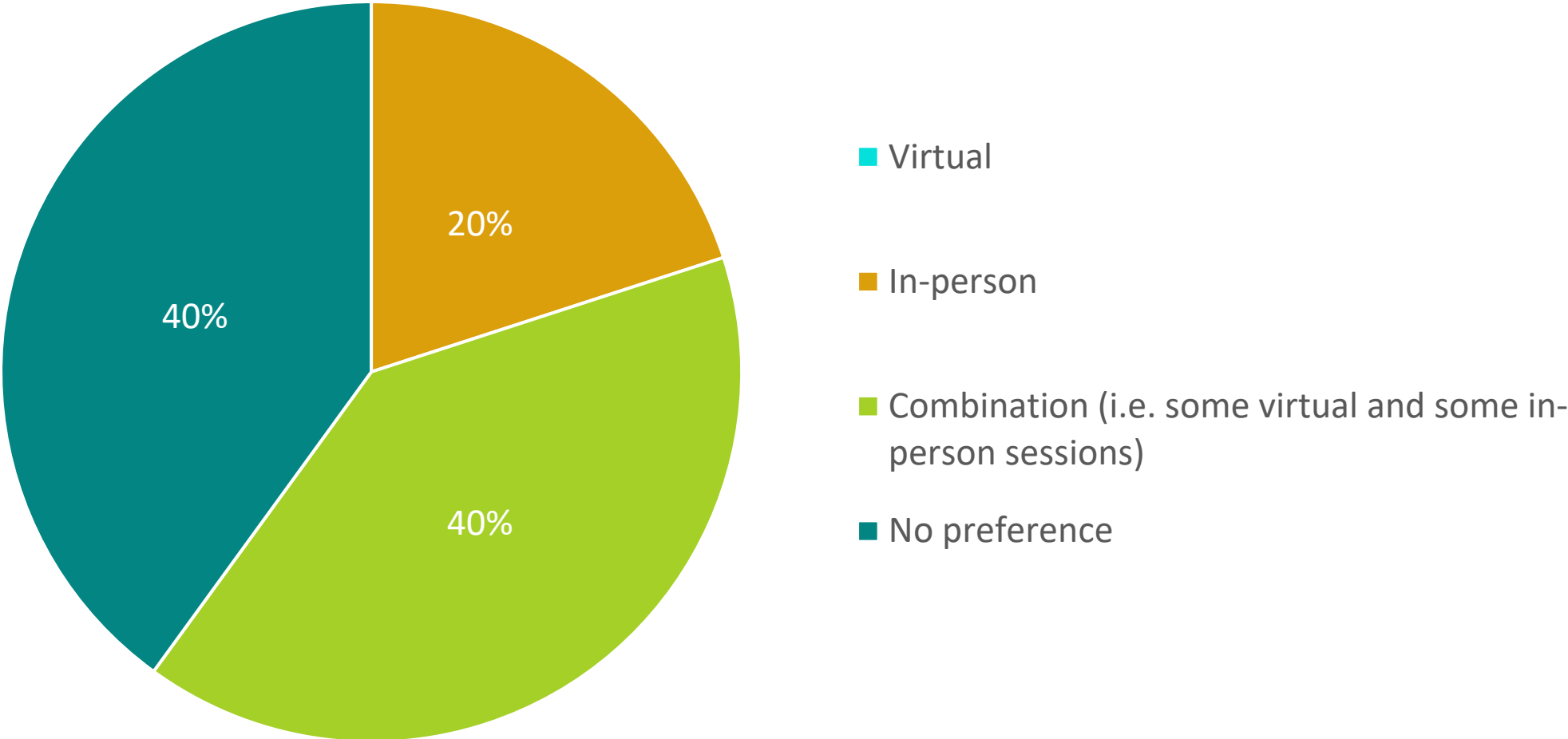


- More time for technical presentations than discussion based topics
- About equal time for each
- More time for discussion based topics than technical presentations

n = 5



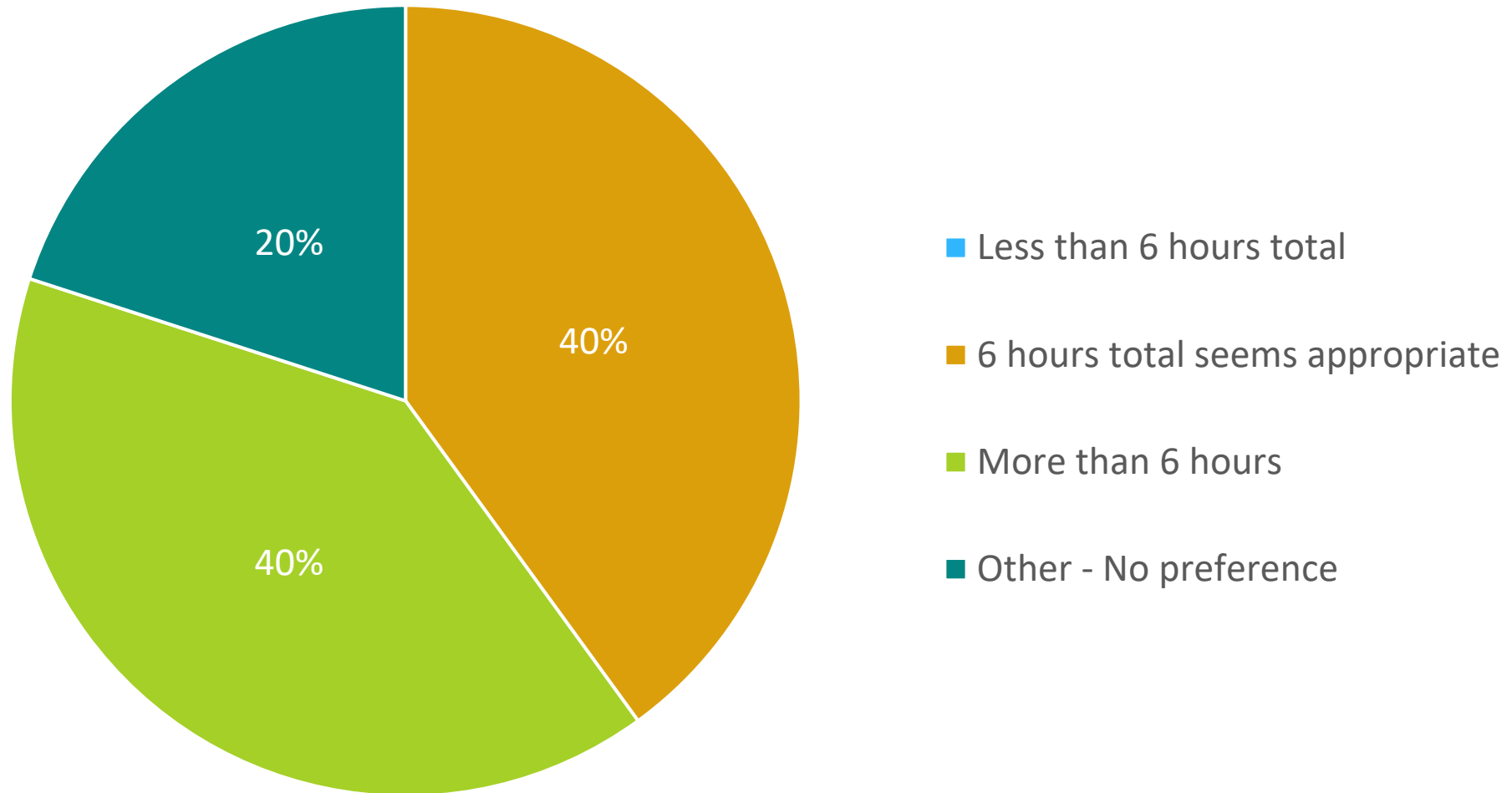
4. If the Council has the option to meet virtually, which **format** would you prefer?



n = 5



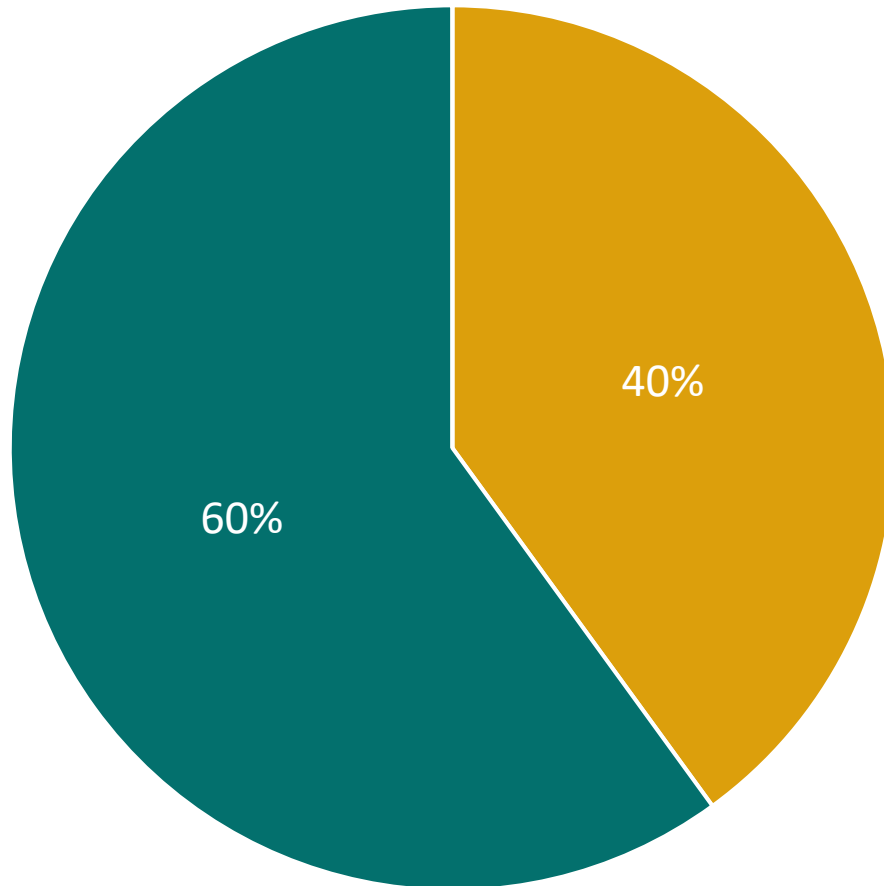
5. How much **total time** would you like to see allocated to 2022 retreat sessions?



n = 5



6. Assuming multiple retreat sessions, which would you prefer?



- Spread out over a couple days (e.g. one today, one tomorrow)
- Spread out over a couple weeks (e.g. one this week, one next week)
- Spread out over several months (e.g. one in May, one in September)
- No preference

n = 5

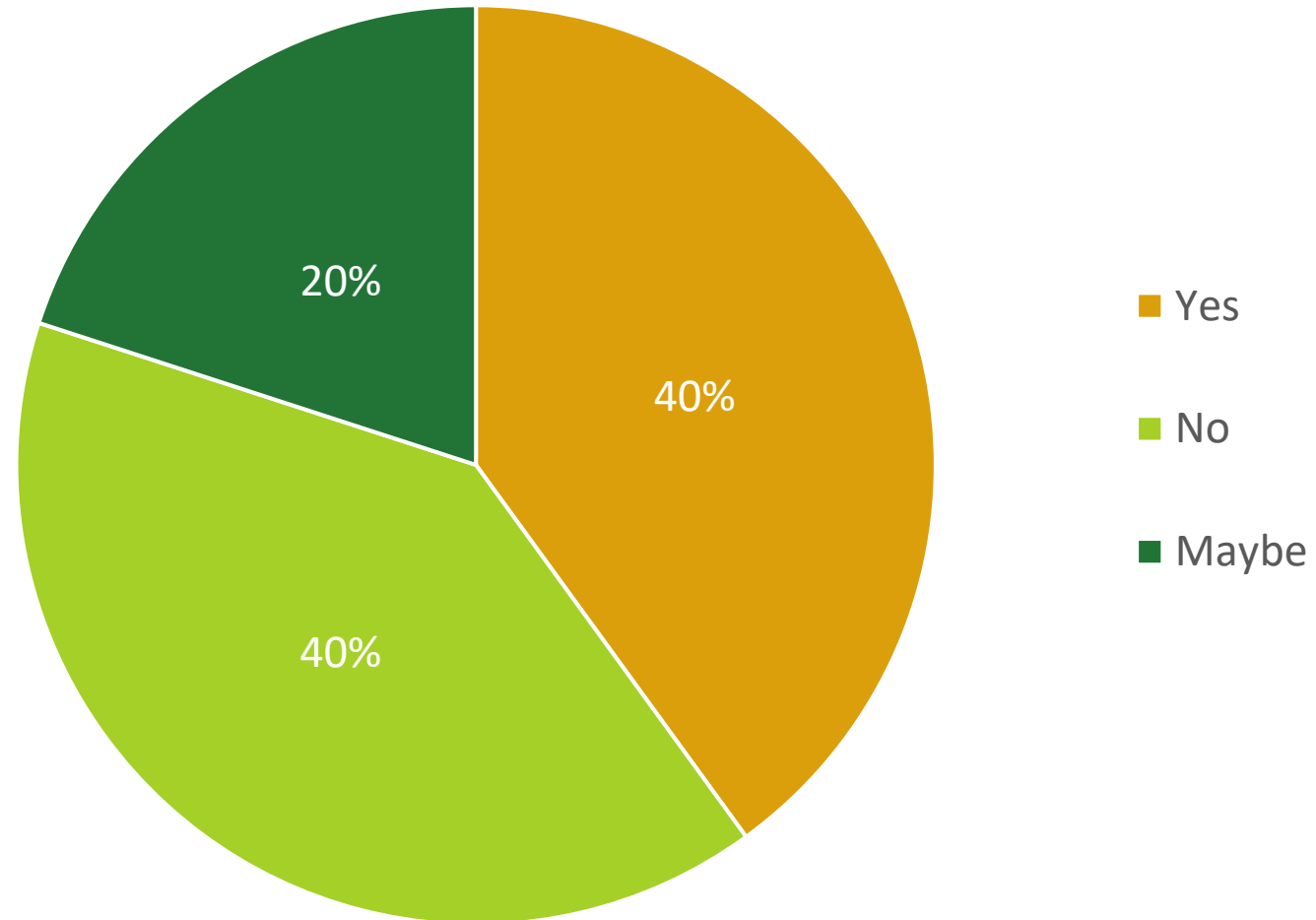


Other thoughts?

- *“I really enjoyed the retreat we had in Warwick. (I can't remember where it was) and would like to see that duplicated. No games please.”*
- *“The presentations at Save the Bay were excellent, but I felt there wasn't enough time to connect with fellow Council members to debrief and discuss the presentations and other topics. With the scrutiny on Council interchanges being so intense, I highly value any chance for informal conversations with my peers.”*



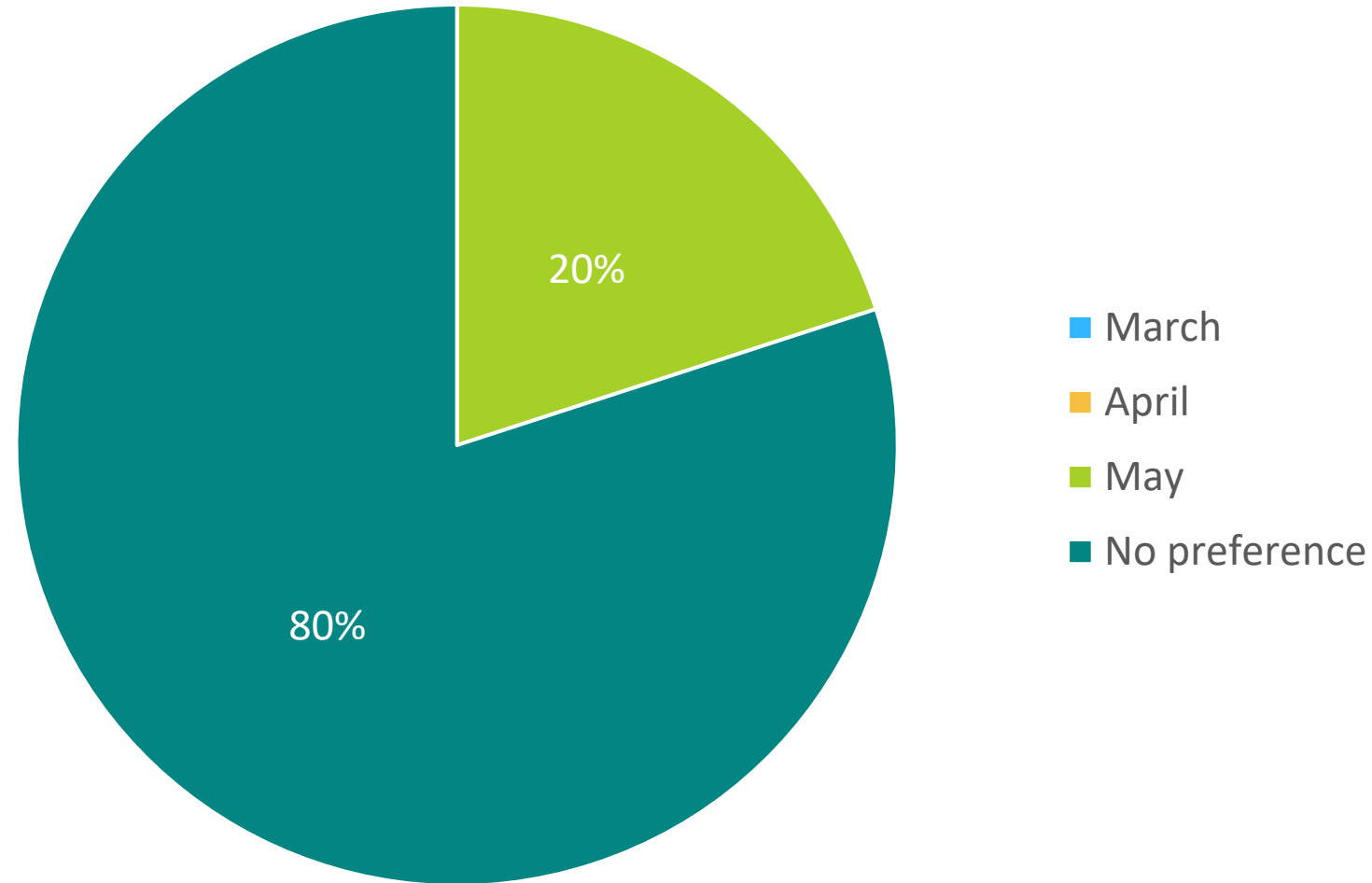
8. Are you interested in participating in a technical session on energy efficiency with the Public Utilities Commission (PUC)?



n = 5



9. What is your preferred timing for a PUC technical session?



n = 5



Topics from Retreat Survey



1 out of 5 votes

- Development of Council equity statement
- Understanding the foundational role of EE in meeting RI's decarbonization and clean energy goals
- EE's effects on transmission & distribution



2 out of 5 votes

- Braiding EE and other resources to increase access and streamline program participation across silos
- EE Equity Working Group progress
- Future of energy efficiency programs
- How forward capacity markets support energy efficiency
- Long-term financial impacts of EE investments on ratepayers – rate & bill impacts
- Participant and nonparticipant / multifamily census studies



3 out of 5 votes

- Acadia Center's RESPECT Framework (Reforming Energy System Planning for Equity and Climate Transformation)
- Heating electrification efforts
- Workforce development



4 out of 5 votes

- Income eligible programs and multifamily programs

Exhibit 5

Memo



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

To: Energy Efficiency & Resource Management Council
From: EERMC Consultant Team
Date: April 27, 2022
Subject: EERMC Priorities for the 2023 EE and SRP Program Plans

CONSULTANT TEAM

OVERVIEW

As part of its fulfillment of the roles and responsibilities legislated in R.I.G.L. §42-140.1¹, the Energy Efficiency & Resource Management Council (EERMC or Council) provides the following input and direction in the form of Priorities to support development of the 2023 Annual Energy Efficiency Program Plan (2023 EE Plan) for submittal to the RI Public Utilities Commission (PUC) on October 1, 2022 by National Grid². The EERMC also has clearly defined responsibilities in the PUC-issued Least Cost Procurement Standards³ (LCP Standards) to both support the development of the plans and to vote on whether or not to endorse the plans to the PUC. Should the EERMC vote not to endorse the plans, the EERMC is then directed to document reasons for that decision and submit them to the PUC for its consideration.

The EERMC looks forward to continuing its long-standing role as contributor to and facilitator of the yearly collaborative effort with interested stakeholders, the Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC), and National Grid. This role historically culminates in a plan filing to the PUC as a “Settlement of the Parties.” While stakeholders did not endorse the 2022 EE Plan, it is the Council’s hope that stakeholders will be able to return to a “Settlement of the Parties” for the 2023 EE Plan. As always, the EERMC seeks to work with all parties to develop and enhance programs that provide significant benefits to Rhode Island ratepayers, including economic benefits through lower customer utility bills, non-energy benefits including health, workforce expansion and environmental benefits through reduction in greenhouse gas emissions.

The 2023 EE Plan will be the third and final annual plan to be filed relating to the 2021-2023 Energy Efficiency Program Plan (3-Year Plan). As such, clear expectations and related commitments were embedded in the 3-Year Plan relating to 2023 and serve as a primary influencer for many of the Priorities the EERMC proposes here.

2023 ANNUAL ENERGY EFFICIENCY PROGRAM PLAN PRIORITIES

As primary sources for EERMC Priorities, there are five significant reference points the EERMC expects National Grid to reference to when developing the 2023 EE Plan:

¹ <http://webserver.rilin.state.ri.us/Statutes/TITLE42/42-140.1/INDEX.HTM>

² The EERMC recognizes that National Grid is in the process of selling its electric and gas distribution utility in Rhode Island. The Council expects that these priorities will be given due consideration by whatever business is operating the electric and gas utility at the time of the filing for the 2023 EE Plan.

³ http://rieermc.ri.gov/wp-content/uploads/2020/08/5015-lcpstandards-final_8-25-20.pdf

- 1) National Grid’s 3-Year Plan⁴ and related compliance filing⁵. These contain established non-binding, illustrative, and provisional energy efficiency procurement budgets and savings goals. They are intended to help guide annual plan development and commitments on program strategies and priorities that reflect input from stakeholders during development of the 3-Year Plan. *(See Appendix A)*
- 2) LCP Standards, which lay out a clear structure and process for achieving the goals of least cost procurement and define the roles and responsibilities for the different program administration and oversight entities, including clear direction for strategy and planning of annual plans to be put forward to the PUC. *(See Attachment B)*
- 3) Stakeholder input and priorities gained from events and activities including:
 - The Energy Efficiency Technical Working Group (EE TWG).
 - The Equity Working Group (EWG).
 - National Grid’s planned Customer Feedback Activities included in the planning timeline and related sourcing of customer feedback.
- 4) The 2022 Plan⁶, which included commitments around implementation activities that would inform program implementation in 2022 as well as program planning for 2023.
- 5) The EERMC’s Summary Report⁷ on its decision not to endorse the 2022 Plan, which included references to several concerns that the Council expects to alleviate in the 2023 EE Plan.

Priority #1 Relating to the reference point of the EERMC-endorsed and PUC-Approved 3-Year Plan, the EERMC expects:

- That National Grid will clearly and specifically identify which, and how, each of the “5 Key Priorities” identified in the 3-Year Plan will be applied to the 2023 programs. These priorities included:
 1. Deeper customer relationships;
 2. Drive adoption of comprehensive measures;
 3. Expand active demand response;
 4. Achieve cost optimization and efficiency; and
 5. A deeper equity lens across all program planning and delivery.
- That savings and benefits goals will reference the Base and High Scenarios presented for 2023, and that any factors or conditions that preclude reaching these levels will be clearly documented and justifiable, including barriers and other considerations of prudence and reliability.
- In recognition of the expectations around budget increases set forth by the PUC, National Grid will develop the 2023 EE Plan in a manner that will pursue cost-efficiency to deliver maximum savings and benefits at appropriate costs without losing sight of the multiple policy and stakeholder priorities the annual energy efficiency programs support in Rhode Island, including its keystone contribution to state clean energy and

⁴ [http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-2021EEPlan\(10-15-2020\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-2021EEPlan(10-15-2020).pdf)

⁵ [http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-ComplianceFiling%20\(PUC%201-29-2021\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-ComplianceFiling%20(PUC%201-29-2021).pdf)

⁶ [http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Energy%20Efficiency%20Plan%202022%20\(PUC%2010-1-21\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Energy%20Efficiency%20Plan%202022%20(PUC%2010-1-21).pdf)

⁷

<http://www.ripuc.ri.gov/eventsactions/docket/EERMC%202022%20EE%20Plan%20Vote%20%20Summary%20of%20Reasons%20%2010.15.2021.pdf>

decarbonization goals. The pursuit of cost-efficiency is expected to clearly define efforts to coordinate, cost-share, and leverage investments with other entities and funding sources such as state agencies (Department of Labor and Training; Codes Commission; etc.), quasi-state agencies (RIIB; RI Housing; etc.), and other state or federally-funded initiatives.

- That the mix of savings by end-use in the 2023 EE Plan will be closely aligned with the results of the EERMC-sponsored Market Potential Study (MPS), and any deviations are well-justified.

Priority #2 Relating to the reference point of LCP Standards, the EERMC expects:

- Given the clear, outcome-oriented direction provided in the LCP Standards, especially the **emphasized** sections in Appendix B, the 2023 EE Plan should clearly indicate how each of these is applied at the portfolio and program levels.
- The 2023 EE Plan should include key metrics that will be documented and reported to the EERMC and stakeholders at minimum as part of the standard Quarterly Program Performance Reports.

Priority #3: Relating to the reference point of Stakeholder input and priorities, the EERMC expects:

- The Priorities indicated by the members of the EE TWG will be appropriately reflected in the 2023 EE Plan, and that National Grid's documentation and response to the proposed Priorities will be presented in a transparent and comprehensive format.
- National Grid's proposed Customer Feedback Activities will be sufficiently robust and capture actionable customer-driven input, and it will be appropriately reflected in the 2023 EE Plan, and that National Grid's documentation of the activities and responses will be presented in a transparent and comprehensive format.

The following Priorities should all generally be captured through adherence to addressing the requirements and objectives of the three reference points detailed above. However, to supplement and support content, the EERMC provides guidance on a set of specific areas of focus and emphasis for the EERMC.

Priority #4: To support focus on Equity & Access, the EERMC expects:

- National Grid will fulfil and then apply the results from activities committed to in the 2022 Plan to support all customers having equal ability to access and benefit from energy efficiency programs, including:
 - The Nonparticipant Market Barriers Study which is anticipated to be completed by May 2022.
 - The Participation and Multifamily Census Study which is anticipated to be completed by May 2022.
 - Enhancements stemming from recommendations of the Equity Working Group.
- That National Grid will demonstrate progress on – and build upon – the enhancements included in the 2022 EE Plan related to recommendations from the Equity Working Group.
- That any new findings and recommendations coming from the Quarterly Equity Working Group session will be appropriately reflected in the 2023 EE Plan, and that National

Grid's documentation and response to the finding and recommendations will be presented in a transparent and comprehensive format.

- Based on the specific activities and designs to support applying results from the studies listed above, the 2023 EE Plan should include a commitment to create a clear, comprehensive list of tasks and metrics that will be added to Quarterly reports to support full and transparent accountability of performance in achieving the commitments.
- The 2023 EE Plan will include clear and detailed remediation strategies to assure corrective action on underperforming programs. Of particular concern and requiring further focus are income-eligible single and multi-family programs.

Priority #5 To support an effective and efficient 2023 EE Plan development and review process, the EERMC expects:

- The *Key Deliverables and Schedule* developed in collaboration by the EERMC Consultant Team, National Grid, and OER, and discussed by the EERMC⁸ will be followed by all relevant parties to assure necessary time is afforded to the EERMC and stakeholders reviewing and reaching a clear understanding of the content of the 2023 EE Plan, sufficient to make informed decisions on whether to endorse the plan.

2021-2023 SYSTEM RELIABILITY PROCUREMENT PLAN PRIORITIES

In addition to its priorities for the 2023 EE Plan, the Council is pleased to provide additional priorities for the 2021-2023 System Reliability Procurement Plan (2021-2023 SRP Plan). In the continuation of the implementation of the 2021-2023 SRP Plan, the Council expects that the plan should:

- Demonstrate continued responsiveness to Council and other stakeholder input, including specific points identified in the Council's comments on the 2021-2023 SRP plan.
- Ensure sufficient opportunities for stakeholder engagement and substantive contributions during SRP planning and implementation.
- Actively pursue further development of the NPA program and other methodological refinements, including in the context of benefit cost analysis and assessing internal EE and DER solutions to grid needs

⁸ http://rieermc.ri.gov/wp-content/uploads/2022/03/2022-eermc-calendar-update_2022-03-17_final.pdf

Appendix A 2021-2023 Three Year Plan Proposed Priorities & Energy Savings Goals
 (Bates pages 61-62 of filing):

Table 9. Residential and Income Eligible Services Programs Summary

Deepen Customer Relationships and Increase Participation Across All Customers
<ul style="list-style-type: none"> Enhanced Customer Targeting with Improved Customer Management Systems Enhanced Incentives for Bundling of Measures Explore Enhanced Finance Offers for Residential Customers
Drive Comprehensive Measure Adoption Through Tailored Program Enhancements
<ul style="list-style-type: none"> Explore Potential for Scale Up of Virtual Home Energy Assessments Increase Agility of Multifamily Expand Capacity and Delivery Models for Income Eligible Customers New Construction Zero Net Energy Ready Pathways
Drive Comprehensive Measure Adoption with Technology-Based Opportunities
<ul style="list-style-type: none"> Expand Promotion and Installation of Air Source Heat Pumps
Expand Active Demand Response
<ul style="list-style-type: none"> Grow the Residential Connected Solutions (Active Demand Response) Program

Table 10. Commercial and Industrial Programs Summary

Deepen Customer Relationships and Increase Participation Across All Customers
<ul style="list-style-type: none"> New Energy Management Frameworks for Large and Medium Commercial and Industrial Customers Enhanced Incentives for Bundling of Measures Explore Enhanced Finance Offers for Commercial and Industrial Customers
Drive Comprehensive Measure Adoption with Tailored Program Enhancements
<ul style="list-style-type: none"> New Telecommunication and Commercial Real Estate Initiatives New Program Enhancements for Small Business Customers Expand Community Partnerships to Bring in New Customers New Construction Zero Net Energy Ready Pathway
Drive Comprehensive Measure Adoption with Technology-Based Opportunities
<ul style="list-style-type: none"> Promote Holistic Savings by Bundling HVAC with Control Systems Encourage the Growth of Lighting Controls Leverage Successful Deployment of Air Source Heat Pumps and VRF Systems
Expand Active Demand Response
<ul style="list-style-type: none"> Grow the C&I Connected Solutions (Active Demand Response) Program Explore Adding Electric Vehicle Charging to the Active Demand Response Portfolio
Explore Cutting-Edge Technologies
<ul style="list-style-type: none"> Explore Opportunities for Fuel Cells Explore Incentives for Geothermal Systems

Appendix B – LCP standards – Chapter 3; General Plan Design and Principles

The items below are from Chapter 3 Section 2 of the LCP Standards and were developed to provide guidance on general plan design and principles. We have added emphasis to portions of the guidance that are related to specific, outcome driven objectives.

- A. Energy Efficiency and Conservation Procurement Plans (EE Plans) shall be designed, where possible, to complement the objectives of Rhode Island’s energy programs and policies, and describe the interaction of EE Plans with these other programs, including, but not limited to, the System Reliability Procurement Plan; the Renewable Energy Standard; the Renewable Energy Growth Program; the Net Metering Program; the Long-Term Contracting for Renewable Energy Standard; all energy supply procurement plans; and Infrastructure, Safety, and Reliability Plans.
- B. Innovation. EE Plans shall address new and emerging issues as they relate to Least Cost Procurement as appropriate, including how they may meet State policy objectives and provide system, customer, environmental, and societal benefits.
- C. Comprehensiveness. The distribution company shall design EE Plans to ensure that all customers have an opportunity to benefit and realize both near-term and long-lived savings opportunities, and to deliver system-wide and location-specific savings. The programs should be designed and implemented in a coordinated fashion by the distribution company in active and ongoing consultation with the Council.
- D. Equity. The portfolio of programs proposed by the distribution company shall be designed to ensure that all customers have equitable opportunities to participate in the offerings of EE Plans and a fair allocation of costs and benefits.
- E. Build on prior plans. The distribution company shall describe in an EE Plan the recent energy efficiency programs offered and highlight how the EE Plan supplements and expands upon these offerings at the appropriate level of detail, including, but not limited to, new measures, implementation strategies, measures specifically intended for demand or load management, and new programs as appropriate.
- F. Build on prior programs. Distribution company program development shall proceed by building upon what has been learned to date in distribution company program experience, systematically identifying new opportunities and pursuing comprehensiveness of measure implementation, as appropriate and feasible.
- G. Plan based on potential assessments. At a minimum, the distribution company shall use any Targets and other Report recommendations approved by the PUC pursuant to Chapter 2 as a resource in developing its Three-Year Plan. The distribution company shall include in its Three-Year Plan an outline of proposed strategies to supplement and build upon these assessments of potential. The distribution company may also use other assessments or Report recommendations, provided that such assessments or Report recommendations were not previously and specifically rejected by the PUC.
- H. Unlocks capital and effectively uses funding sources. EE Plans shall include a section outlining and discussing new strategies to make available the capital needed to effectively overcome barriers to implement projects, in addition to direct financial incentives provided in order to cost-

effectively achieve the Least Cost Procurement mandate. Such proposed strategies shall **move beyond traditional financing strategies and shall include new capital availability strategies and partnerships that effectively overcome market barriers in each market segment** in which it is feasible to do so.

- I. Integration. EE Plans shall **address how the distribution company plans to integrate gas and electric energy efficiency programs** to optimize customer energy efficiency and provide benefits from synergies between the two energy systems and their respective programs.
- J. EE Plans shall be developed to propose strategies to achieve the energy efficiency savings targets that shall be proposed by the Council and approved by the PUC for that three-year period. Such strategies shall **secure energy, capacity, and system benefits and also be designed to ensure the programs will be delivered successfully, cost-effectively, and cost-efficiently over the long term.** In addition to satisfying other provisions of these Standards, the EE Plans shall **contribute to a sustainable energy efficiency economy in Rhode Island, respond to and transform evolving market conditions, strive to increase participation and customer equity, and provide widespread consumer benefits.**
- K. Energy Efficiency **investments shall be made on behalf of all customers.** This will ensure consistency with existing program structure under which all customers pay for, and benefit from, Rhode Island's efficiency programs.
- L. Efficacy. All efforts to establish and maintain program capability shall be done in a manner that **ensures quality delivery and is economical and efficient. The distribution company shall include wherever possible and practical partnerships with existing educational and job training entities.**
- M. Parity. While it is anticipated that rough parity among sectors can be maintained, as the limits of what is cost-effective are identified, there may be more efficiency opportunities identified in one sector than another. The distribution company shall **design EE Plans to capture all resources that are cost-effective and lower cost than supply.** The distribution company shall consult with the Council to address ongoing issues of parity.
- N. Cost-effectiveness. The distribution company shall **propose a portfolio of programs that is cost-effective.** Any program with a quantified benefit-cost ratio greater than 1.0 (i.e., where quantified benefits are greater than quantified costs), should be considered cost-effective. Consistent with the PUC's guidance issued in Docket No. 4600A, qualitative benefits and costs may be considered in determining cost-effectiveness. The portfolio must be cost-effective and programs must be cost-effective.
 - i. The distribution company shall be allowed to direct a portion of proposed funding to conduct research and development and pilot program initiatives. These efforts will be subject to cost-effectiveness considerations consistent with the PUC's guidance on pilots provided in the Guidance Document issued in Docket No. 4600A. The costs of these initiatives shall be included in the assessment of portfolio-level cost-effectiveness.
 - ii. The distribution company shall allocate funds to the Council and OER as specified in R.I. Gen. Laws § 39-2-1.2. These costs shall be included in the assessment of portfolio-level cost-effectiveness.

Exhibit 6



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, June 16, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom

Members in Attendance: Commissioner Nicholas Ucci, Brett Feldman, Joe Garlick, David Caldwell, Peter Gill Case, Sue AnderBois, Kate Grant, Bob Izzo, Harry Oakley, Tom Magliocchetti, Kurt Teichert (virtual)

Others in Attendance: Steven Chybowski, Craig Johnson, Tessa Brandt, Tara Bournis, Tyler Zanini, Sarah Barraco, Jessica Darling, Joshua Kessler, Hank Webster, Angela Li, Kyle Bannon, Kai Salem, Nelson DiBiase, Rachel Sholly, Todd DeTonnancourt, Adrian Caesar, Gretchen Calcagni, Karen Verrengia, Sam Ross, John Richards, Jesse Duroha, Audio participant

All meeting materials can be accessed at: <https://rieermc.ri.gov/meeting/eermc-meeting-june-2022/>

1. Call to Order

Chairperson Oakley called the meeting to order at 3:01 p.m.

2. Executive Director Report

Commissioner Ucci informed the Council that new members Harry Oakley, Bob Izzo, Dave Caldwell, Brett Feldman, and Kate Grant have been appointed to the Council. He also stated that Council Member Oakley has been appointed as the Council's Chair and Council Member Gill Case has been appointed as the Vice Chair.

Commissioner Ucci noted for the Council that there are current vacancies on the Executive Committee, the education working group, and the current request for proposals technical review team. If interested, volunteers should step forward or reach out to the Office of Energy Resources.

Commissioner Ucci stated that the State's rules and regulations for appliance standards are now available for public comment (<https://rules.sos.ri.gov/Promulgations/part/300-00-00-4>) and that there will be a public hearing on June 20th to gather additional stakeholder feedback. In addition, the State Legislature has passed a 100% renewable target by 2033.

Lastly, Commissioner Ucci noted that the Executive Climate Change Coordinating Committee (EC4) hosted sharing sessions on the thermal sector in June. More information on the EC4 is available at www.climatechange.ri.gov.

3. Acting Chair Report

Chairperson Oakley stressed the importance of reading meeting materials so that Councilors are fully prepared for any votes and recommendations on behalf of the Council. A round of introductions was conducted.

Chairperson Oakley noted that meeting materials are available on the Council's website.

4. Meeting Minutes – [May 19, 2022](#)

Vice Chair Gill Case motioned to approve the May meeting minutes. Council Member Garlick seconded. All in favor, none opposed.

5. Program Oversight (35 Minutes, 3:10 – 3:45 p.m.)

- a) [Rhode Island Energy Presentation on the 2023 Energy Efficiency Outline Memorandum](#) (20 minutes, 3:10-3:30 p.m.)

Council Member Feldman of Rhode Island Energy presented on the Energy Efficiency Outline Memorandum for the 2023 Energy Efficiency Program Plan. He noted that the utility staff will remain consistent with the recent sale of the electric and gas distribution utility. The Outline Memo is only intended to provide broad themes for the planning process. These broad themes include incorporating the *2021 Act on Climate*, an emphasis on equity, and looking at more comprehensive measures beyond lighting. The first draft of the plan will be submitted July 12th.

Council Member AnderBois requested that written comments on the Outline Memorandum be accepted until June 23rd. She also commented that she is not sure if the Company's customer relations goal is relevant for the Council, as it is not directly tied to energy savings and that she would like to see metrics tied to the women- and minority-owned business goals.

Council Members discussed the importance of clear communications and building customer relations, especially in light of the company transition.

Vice Chair Gill Case would like to see more information about energy codes, demand response, the role of CO2 in the performance incentive mechanism, and more specifics of equity initiatives.

Council Member Caldwell mentioned that the Rhode Island Builders Association has a successful school in Central Falls that can be tapped into for development and training of new energy efficiency contractors.

Council Member Grant noted that the CO2 PIM would require an additional deep dive to justify it.

- b) [Council Consultant Team Perspectives on the Energy Efficiency Outline Memorandum](#) (15 minutes, 3:30-3:45 p.m.)

Mr. Ross presented on the Consultant Team's initial takeaways from the Outline Memorandum. He noted that this outline has done well to make more clear commitments, respond to changing global economic conditions, and address changes that came out of the most recent Public Utilities Commission rulings. The Consultant Team would like to see additional details on the company transition, further detail on the *2021 Act on Climate*, and additional specifics around equity.

Mr. Johnson presented on the Consultant Team's initial takeaways regarding the residential sector.

Mr. Caesar presented on the Consultant Team's initial takeaways regarding the commercial and industrial sector.

Council Member Izzo and Chairperson Oakley asked for more details regarding the building analytics program. Mr. Kessler provided a summary of the programs and Mr. Caesar will provide additional materials on the program to the Council Members.

6. Council Business (50 Minutes, 3:45 – 4:35 p.m.)

a) [Review and Potential Vote on the Consultant Team Services Request for Proposals](#) (15 minutes, 3:45-4:00 p.m.)

Mr. Chybowski presented a draft request for proposals (RFP) for the Council's consultant services. This updated draft includes additional emphasis on incorporating the *2021 Act on Climate*, research into equity-related topics, and for proposal budgets to be submitted as "not-to-exceed" amounts.

Chairperson Oakley would like to wait on this vote until the July meeting to have more time to review the RFP.

Vice Chair Gill Case suggested that he believes that the Council should execute its contract option to extend current consultant services for an additional two years for the benefits of stability and continuity for the Council.

Council Member AnderBois would support executing the contract extension as there will be a lot of changes with elections this year and that the continuity could be appreciated. She also requested that we add language to specify that Council Members will be the proposal reviewers and that we look to share this RFP through additional channels to encourage women- and minority-owned businesses to respond.

Commissioner Ucci noted that nothing would prevent the incumbent consultant team from re-applying to the RFP and that there have been many changes since the RFP was last issued. These changes include an increased focus on equity, passage of the *2021 Act on Climate*, and the focus on the Council's budget during the last Public Utilities Commission hearing.

Council Member Izzo is supportive of issuing the RFP to gauge costs in the market.

Chairperson Oakley would like to push a vote on this RFP until next month's meeting and to see what else is available in the marketplace. This will potentially be two votes at the July meeting, one to decide whether to issue an RFP or extend existing consultant services, and a possible second vote to issue the draft consultant services RFP.

b) [Review and Potential Vote on Market Potential Study Refresh Request for Proposals](#) (10 minutes, 4:00-4:10 p.m.)

Mr. Chybowski introduced the draft market potential study data refresh RFP which would provide updated data for the next three-year plan and subsequent annual energy efficiency plans.

Mr. Ross explained that the purpose of these studies is to broadly identify the amount of energy savings that efficiency programs could potentially produce. Because this is a quicker study with a smaller budget than the last market potential study, the goal of this study would be to focus on the economic and maximum achievable potential for efficiency programming. This study would refresh the data for 2024 through 2026.

Chairperson Oakley asked about the duration of this study and role of the current Consultant Team.

Mr. Chybowski clarified that this study would look to take approximately six months and that the Consultant Team would serve as members of the project management team for this study.

Council Member Feldman asked about additional suggestions that he would like to see incorporated into the RFP. He would like to see quantity of units specified as a reporting metric.

Ms. Darling of Rhode Island Energy added she believes that quantity does need to be a listed metric in the RFP and that this RFP should include more review and discussion opportunities for the utility.

Vice Chair Gill Case motioned to approve the Market Potential Study Refresh RFP as presented by the Office of Energy Resources (OER) and the Consultant team, on June 16th, 2022, with amendments to allow the utility to review and provide feedback on the study draft and to add quantity of units as a reported study metric, and to direct OER to issue the request for proposals. Council Member AnderBois seconded. All in favor, none opposed.

c) [Review and Potential Vote on the 2023 Draft EERMC Budget Proposal](#) (15 minutes, 4:10-4:25 p.m.)

Mr. Chybowski shared the budget proposal for calendar-year 2023 and provided a summary of the Council's new budget process.

Mr. Johnson and Mr. Ross of the Consultant Team shared some additional notes for consideration regarding potential budget allocations.

Council Member Magliocchetti noted that an increased emphasis on public awareness is very important.

Vice Chair Gill Case concurred and mentioned that the public awareness initiative could be bundled as a part of a larger effort with our ongoing educational videos that are under development.

Mr. Ross proposed creating one-pagers on possible additional budget allocations.

Council Member Izzo asked to view previous year actuals to get a sense of what should be allocated for calendar-year 2023.

Mr. Chybowski will look to provide spending from previous years.

Commissioner Ucci added that the budget allocations could also be impacted by an RFP for consultant services and that each budget item needs to be fully justified before the Public Utilities Commission.

Council Member AnderBois would like to see a budget allocation for a rebrand and refresh for the Council to better reflect the Council's role and responsibilities.

Chairperson Oakley asked whether funds can be reallocated in the future and Commissioner Ucci noted that this is a new process and that we should seek clarification on the reallocation process.

Vice Chair Gill Case has additional items that he would like considered for additional funding, but he will save that discussion for a later meeting.

- d) [Review and Vote on the Draft of the 2022 EERMC Annual Report](#) (10 minutes, 4:25-4:35 p.m.)

Ms. Sholly presented on the current draft of the 2022 EERMC Annual Report. She noted that many stakeholders contributed to the Annual Report and that the Report got more attention this year than in years past.

Council Member AnderBois motioned to approve the 2022 EERMC Annual as presented by the Consultant Team, on June 16th, 2022. Council Member Garlick seconded. All in favor, none opposed.

7. Special Topic (20 Minutes, 4:35 – 4:55 p.m.)

- a) [Massachusetts Climate and Energy Efficiency Presentation](#) (20 minutes, 4:35-4:55 p.m.)

Ms. Calcagni of Optimal Energy presented on the energy efficiency work and plan in Massachusetts. She noted that greenhouse gas goals and strategic electrification are included as a part of the energy efficiency plans in Massachusetts.

8. Public Comment

Hank Webster, the Acadia Center:

Mr. Webster appreciated the presentations today and believes that there is still a lot of work to do for the 2023 Energy Efficiency Plan. He is disappointed to see the five percent cap incorporated as it limits efficiency program planning considerations. He read the language around the initial five percent cap which allows for deviations if circumstances change. Mr. Webster noted that many things have changed such as the passing of the *2021 Act on Climate*, and now the passage of a 100 percent renewable energy standard. He explained that we learn more about equity and program participation each year which should be incorporated into the Plan. Lastly, he would like clarification on what the five percent cap is applied to by the utility in their planning process.

Kai Salem, Green Energy Consumers Alliance:

Ms. Salem does not believe that she is seeing the nonparticipant study reflected in the Plan Outline Memo and that addressing residential energy is incredibly important. Green Energy Consumers Alliance would like to see the plan built from potential savings and all possible energy savings available rather than starting with an update on the previous year's plan. She also added that this will be her last meeting with the EERMC as she is leaving Green Energy Consumers Alliance to attend law school.

9. Adjournment

Chairperson Oakley motioned to adjourn the meeting. Vice Chair Gill Case seconded. The meeting was adjourned at 5:13 p.m.

Exhibit 7



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

2023 Energy Efficiency Plan Outline Memo Overview

Presented By: EERMC Consultant Team

Date: June 16, 2022



Outline

General Overview

Program Strategies & Approaches

- Residential
- C&I
- Cross-cutting

Next Steps – key considerations and expectations



Overall Areas of Strength

Consistent with previous versions of the Outline Memo

Provides descriptions and concrete commitments of how stakeholder priorities and recommendations from prior planning cycles will be implemented

- Prior Plan Outline Memo included less committal language

Shows responsiveness to changing global economic challenges including rising commodity costs and supply chain issues

Includes language that is responsive to recent PUC rulings on 2022 Plan



Expected Enhancements

Detail on how transition in Company ownership impacts (or doesn't) plan development

Mention of setting energy reduction goals that will contribute to meeting Act on Climate

- EE will need to be a significant contributor to meeting statewide GHG emissions reduction goals – expect to see quantification of EE's contribution to goals

Detail on how the Company will address any potential new recommendations from the Equity Working Group's and/or changes based on experience from 2022 enhancements



Residential & Income Eligible – Strengths

EnergyWise

- Providing contractor lists and funding and/or financing options for weatherization barrier remediation
- Utilize Non-Participation study results to target areas with lower participation rates

Income-Eligible

- Builds on third-party support model with continuation of Inter-Agency Referral pathway that recently started
- More proactive about addressing product shortages for appliance failures

Multifamily

- Commitment to utilize Multifamily Census Study to target non-participants
- Utilize study to update marketing materials

HVAC

- Leverage results of Participant and Non-Participant studies to promote cost-effective electric heat opportunities



Residential & Income Eligible – Expected Enhancements

EnergyWise

- Exploration of reduced weatherization incentives for non-electric and non-gas heated homes

Income-Eligible

- Improve connection between AMP audits and Weatherization audits and work
- Improve collection of weatherization barrier data

Multifamily

- Comprehensive detail on how results of MF Census study will be utilized
- Commitment to start leveraging results of study to target largest multifamily facilities is good, but would like to see more detail about how the results will be used to target smaller facilities as well

Products

- More detail on what type of new-to-the-program consumer products the Company is screening

New Construction

- No mention of considerations around sunseting the gas side of this program

ConnectedSolutions

- No mention of continued or expanded efforts



Commercial & Industrial – Strengths

Consideration of enhanced incentives to combat supply chain and inflation

Tangible efforts and initiatives to deliver more non-lighting savings

- Building Analytics Program as an extension of Equipment & Systems Performance Optimization (ESPO) initiative
- Workforce development and training efforts
- Small Business weatherization/building envelope measures

Maximizing the remaining lighting savings by focusing on controls



Commercial & Industrial – Expected Enhancements

Equity continues to be omitted from C&I section of the Plan Outline

- Company/C-Team should investigate whether there is a connection to lower Small Biz participation and underserved communities

Decrease in anticipated savings, despite maintained importance of GHG emissions reductions

- How to achieve climate goals in the face of rising costs and concerns about cost efficiency?



Cross-Cutting & Other Elements

Performance Incentive Mechanism modification requests

- Removal of the RIIB and OER transfers from PIM-eligible costs
- Inclusion of carbon benefits in the PIM

Commitment to include delivered fuel bill impacts to rate and bill impacts section of plan

New section on leveraging use of RGGI funds in Plan

Other plan elements identified requiring more specifics :

- State Policies (Act on Climate, other potential pending legislation adoption)
- Improved approaches to ensuring participation in the Community-Based Initiatives
- Detail on how the Company will address reduced EM&V budgets, particularly given lower ability/ease of leveraging studies across state lines



Next Steps

June 16th: Consultant Team provides Rhode Island Energy with comments on 2023 Plan Outline Memo based on full review and Council input

July 12th: Rhode Island Energy builds on feedback on the Plan Outline Memo and distributes 2023 Plan First Draft

Ongoing: Rhode Island Energy, Consultant Team, OER, Division and other stakeholders engaged in planning discussions



Council Member Discussion

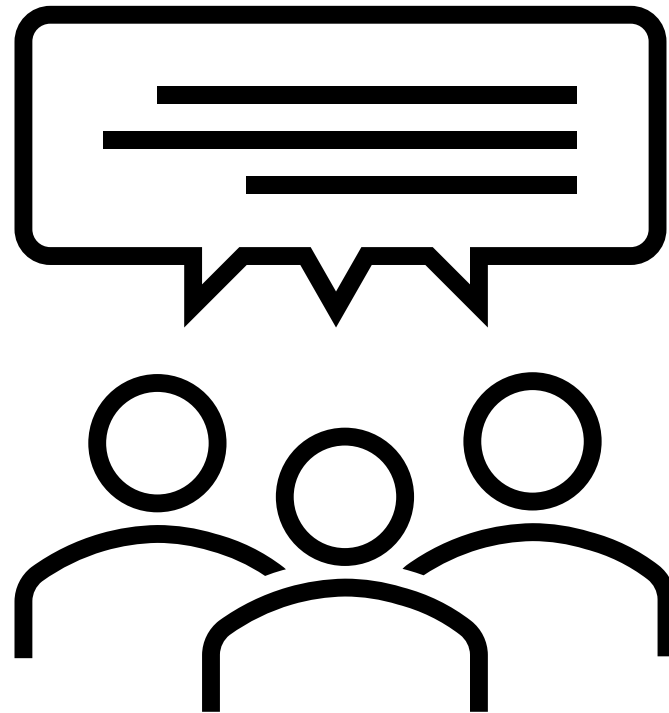


Exhibit 8



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, July 28, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom.

Members in Attendance: Peter Gill Case, Kurt Teichert, Sue AnderBois, Dave Caldwell, Interim Commissioner Chris Kearns, Brett Feldman, Tom Magliocchetti, Kate Grant, Harry Oakley

Others in Attendance: Steven Chybowski, Sam Ross, Adrian Caesar, Anika Kreckel, Marisa Desautel, Angela Li, Nelson DiBiase, Josh Kessler, Jessica Darling, Sarah Barraco, Kyle Bannon

1. Call to Order

Chairperson Oakley called the meeting to order at 3:06 p.m.

2. Administrative Updates

Mr. Chybowski provided administrative updates from the Office of Energy Resources (OER) including introducing the new interim Commissioner Chris Kearns, listing the Regional Greenhouse Gas Initiative allocation proposals, noting OER's High-efficiency Heat Pump Program proposal, noting major energy bill signings that occurred over the past month, and noting that the Council client fund has been transferred to the utility and closed out.

3. Chair Report

Chairperson Oakley provided an overview of the meeting agenda, listed materials available online that will not be discussed at today's meeting, and provided instructions for making public comments.

4. Meeting Minutes – June 16, 2022

Council Member Caldwell motioned to approve the June meeting minutes. Vice Chair Gill Case seconded. All in favor, none opposed.

5. Program Oversight (55 Minutes, 3:15 – 4:10 p.m.)

a) *Update on Public Utilities Commission Dockets (5 min, 3:15 – 3:20 p.m.)*

Mr. Chybowski notified the Council of PUC dockets 22-05-EE and 22-01-NG for the Committee's awareness and for the Council to consider motioning as interveners on docket 22-01-NG.

b) Rhode Island Energy Presentation on the First Draft of the 2023 Energy Efficiency Program Plan (25 min, 3:20 – 3:45 p.m.)

Council Member Feldman presented on Rhode Island Energy's initial draft of the 2023 energy efficiency plan. Mr. Kessler presented on commercial and industrial programming and Ms. Li presented on residential programming. Council Members shared suggestions for providing more energy efficiency information to customers. Interim Commissioner Kearns noted that the winter energy rates should be taken into consideration with the development of the 2023 Energy Efficiency Plan.

c) Council Consultant Team Perspectives on the First Draft of the 2023 Energy Efficiency Program Plan (25 min, 3:45 – 4:10 p.m.)

Mr. Ross, Mr. Caesar, and Ms. Lynch of the Consultant Team presented on their initial takeaways on the first draft of the energy efficiency plan. The Consultant Team highlighted the cost increases currently proposed for energy efficiency measures for next year.

6. Council Business (50 Minutes, 4:10 – 4:55 p.m.)

a) Vote to confirm Executive Committee Members (5 min, 4:10 – 4:15 p.m.)

Council Member Teichert motioned to approve Chair Oakley, Vice Chair Gill Case, and Council Member AnderBois to the Executive Committee. Council Member Caldwell seconded. All in favor, none opposed.

b) Discussion and Vote to Issue a Request for Proposals for Consultant Team Services (10 min, 4:15 – 4:25 p.m.)

Chairperson Oakley voiced his support for executing the current consultant services contract as he has found the current services to be satisfactory and values the consistency of maintaining the existing team. Vice Chair Gill Case noted that OER and the Consultant Team collaborated to revise the consultant services scope of work in response to the recommendations from the Public Utilities Commission hearings at the start of the year. Vice Chair Gill Case motioned to execute one of the two 24-month extensions of the existing EERMC Consultant Team contract and to direct OER to work with the Consultant Team and legal counsel to execute the extension. Council Member AnderBois seconded. All in favor, none opposed.

c) Review and Potential Vote on the Consultant Team Services Request for Proposals (10 minutes, 4:25 - 4:35 p.m.)

Chairperson Oakley skipped this item as a result of the decision made on agenda item 6.b to execute a contract extension option with the current consulting vendor.

d) Review and Vote on the 2023 Draft EERMC Budget Proposal (20 minutes, 4:35-4:55 p.m.)

Mr. Chybowski presented budget proposals for the EERMC for the 2023 calendar year and Mr. Ross provided additional details on line-item proposals. OER will seek additional guidance on accounting for initiatives that would extend across calendar years. Council Member AnderBois motioned to approve the 2023 Council budget as presented by OER, on July 28th 2022 with the following amendments: combine line items of Council Travel and EERMC Councilor Education and Advancement into one item at \$900, to eliminate the C-Team 3rd party implementation RFI analysis from the budget, and remove the dollar amount

from the gas study which will be renamed to “Strategies to Phase out Fossil Gas in Rhode Island,” and to add the 3-year plan incremental cost to the Consultant Services initial line item and respectfully direct OER to submit this budget to the utility to file with the 2023 plan filing. Vice Chair Gill Case seconded the motion. All in favor, none opposed.

7. Public Comment

Hank Webster, The Acadia Center

Mr. Webster is finding it hard to reconcile the Company’s stance that inflation is making energy efficiency measures more expensive, yet the Company is expecting to underspend on programming in 2022. He was hoping to see a more ambitious plan from the Company. At this point, he believes that the State should not be incentivizing new gas appliances and that there could be more investment for supporting zero energy buildings. He would like to see the new Company be intentional with using ratepayer funds to decarbonize and save energy.

8. Adjournment

Council Member Teichert motioned to adjourn the meeting. Council Member AnderBois seconded, and the meeting was adjourned at 5:20 p.m.

Exhibit 9



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

Consultant Team Initial Review First Draft of the 2023 Annual Plan

Presented By: EERMC Consultant Team

Date: July 28, 2022



Outline

Overview

Areas of Focus

Portfolio Overview

Overarching Findings

Commercial & Industrial Review

Residential & Income Eligible Review

Council Discussion



Areas of Focus

OVERVIEW





Areas of Focus

Quantitative quality assurance (QA) and review

- Numerous items flagged for clarification still in progress, working closely with RI Energy
- On 7/19, C-Team raised concern resulting in \$22M reduced anticipated customer contribution

Narrative review

- Today's meeting focuses on qualitative review due to ongoing nature of quantitative QA
- We will still review top-level numbers and highlight quantitative plan elements as needed

Due to time constraint, we focus on **opportunities for improvement**

- Appreciate time & effort involved in plan development – huge lift for RI Energy
- Some process improvements this year – e.g., rate and bill impact models
- Collaborative approach to quantitative review has been fruitful



Portfolio Overview

OVERVIEW

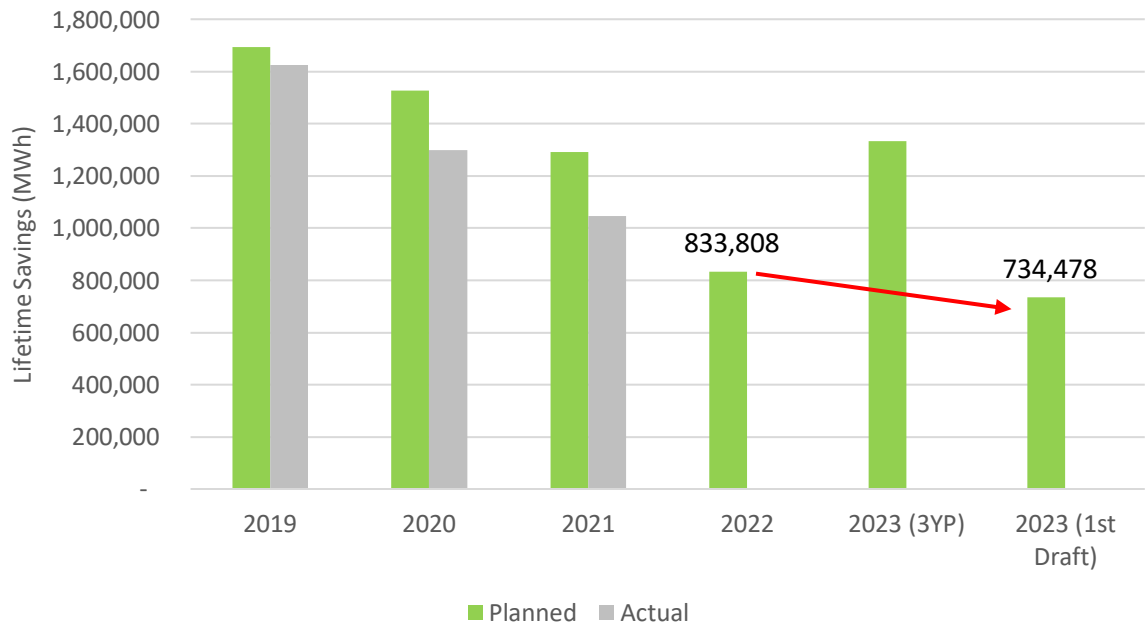




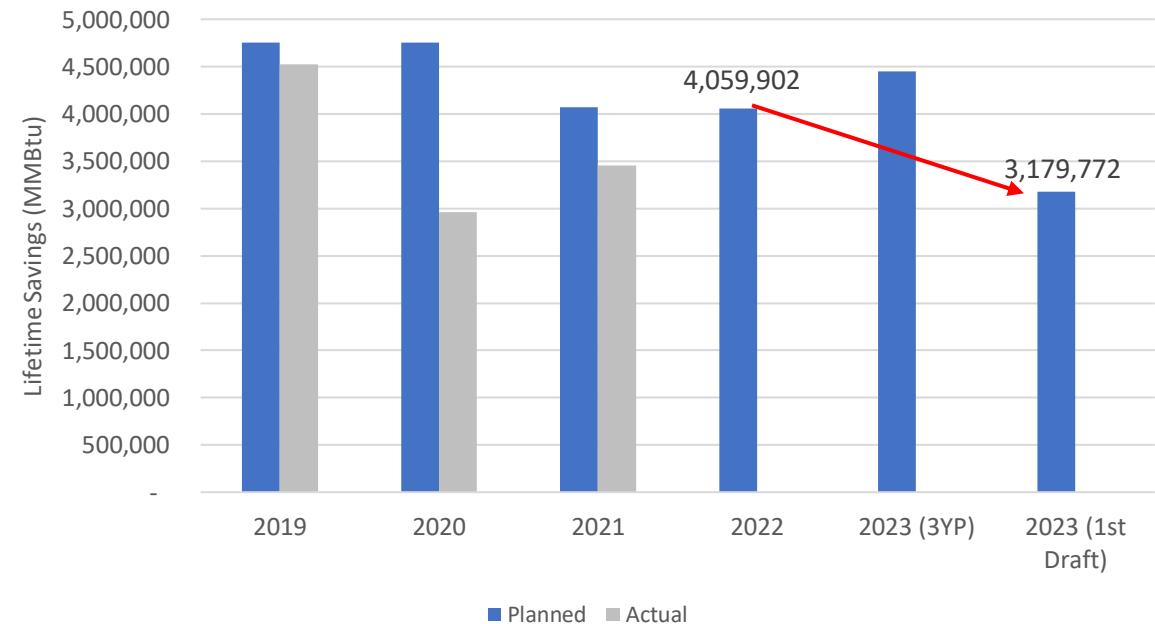
Portfolio Lifetime Savings

Key Takeaway 2023 Plan shows notable drop in lifetime savings in both electric (12%) and gas (22%)

Electric Lifetime Savings (MWh) - Portfolio Total



Gas Lifetime Savings (MMBtu) - Portfolio Total

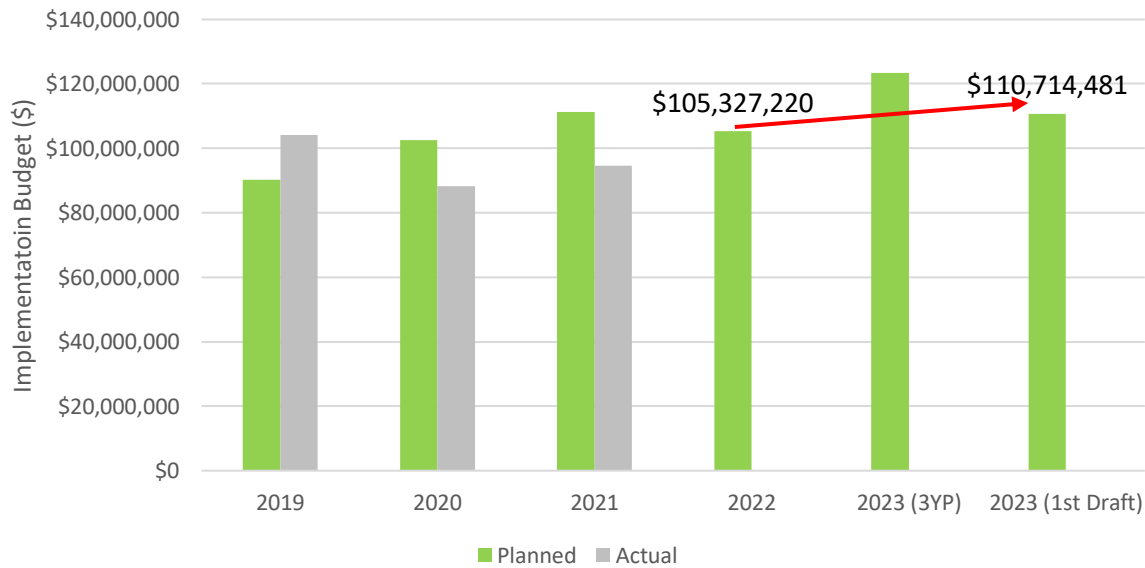




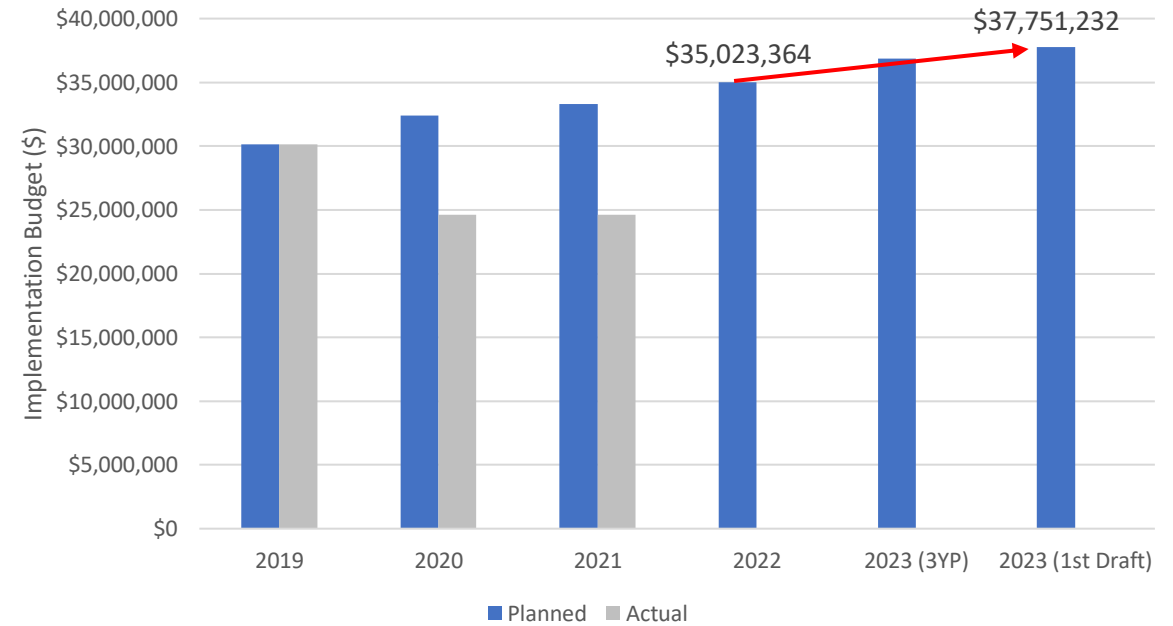
Implementation Budget

Key Takeaway Budget increase of ~5% from final 2022 Plan, in alignment with PUC guidance.

Electric Implementation Budget (\$) - Portfolio Total



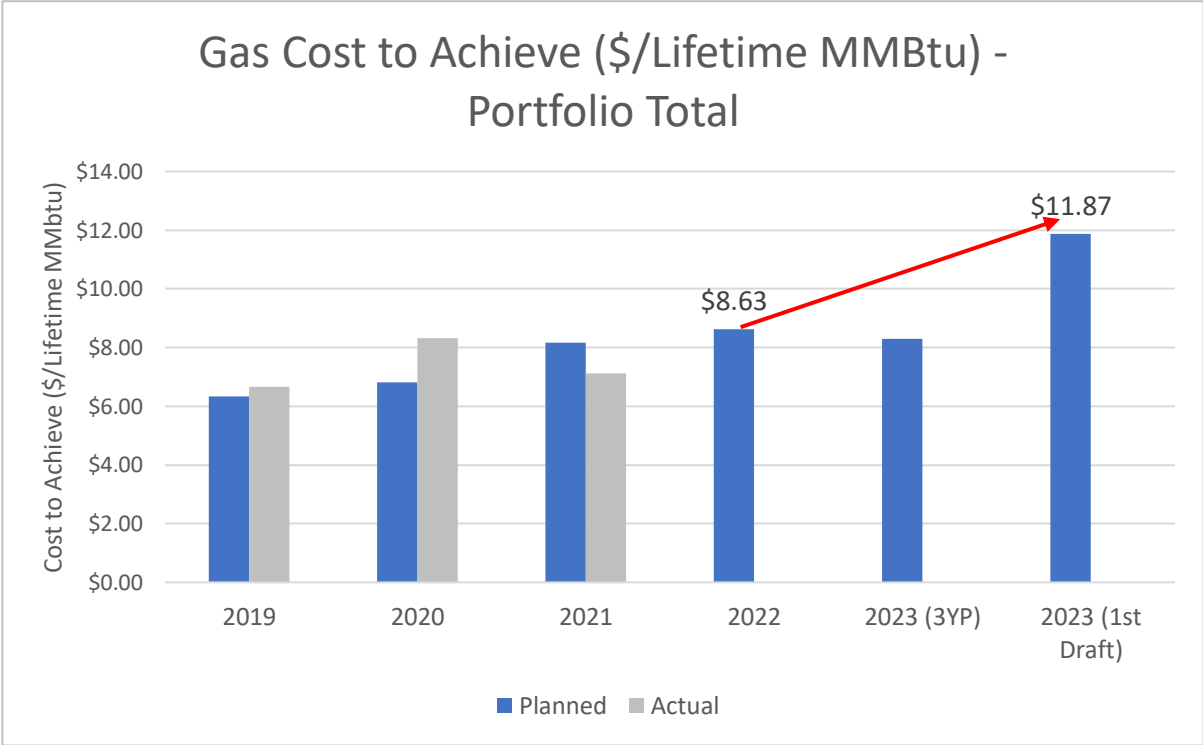
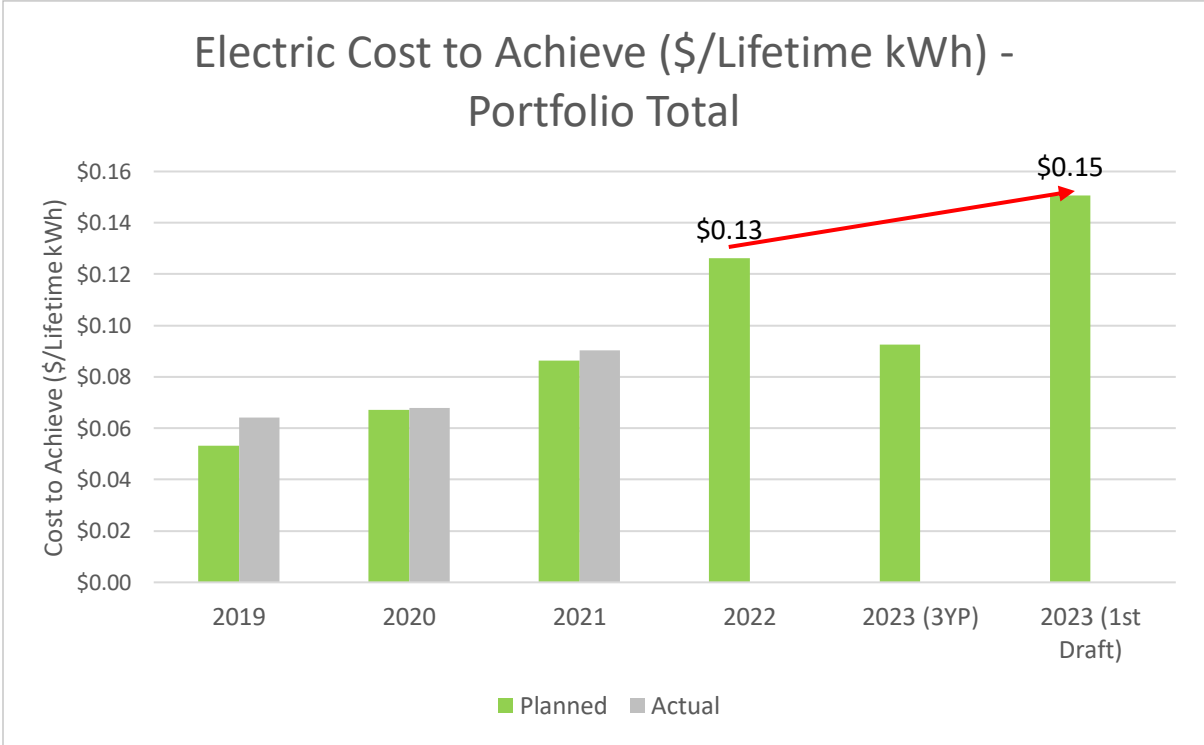
Gas Implementation Budget (\$) - Portfolio Total





Portfolio Cost to Achieve

Key Takeaway Electric cost to achieve rose from \$0.13/kWh to \$0.15/kWh between 2022 and 2023 1st Draft (15%). Gas cost to achieve rose from \$8.63/MMBtu to \$11.87/MMBtu (38%)





Overarching Findings

OVERVIEW

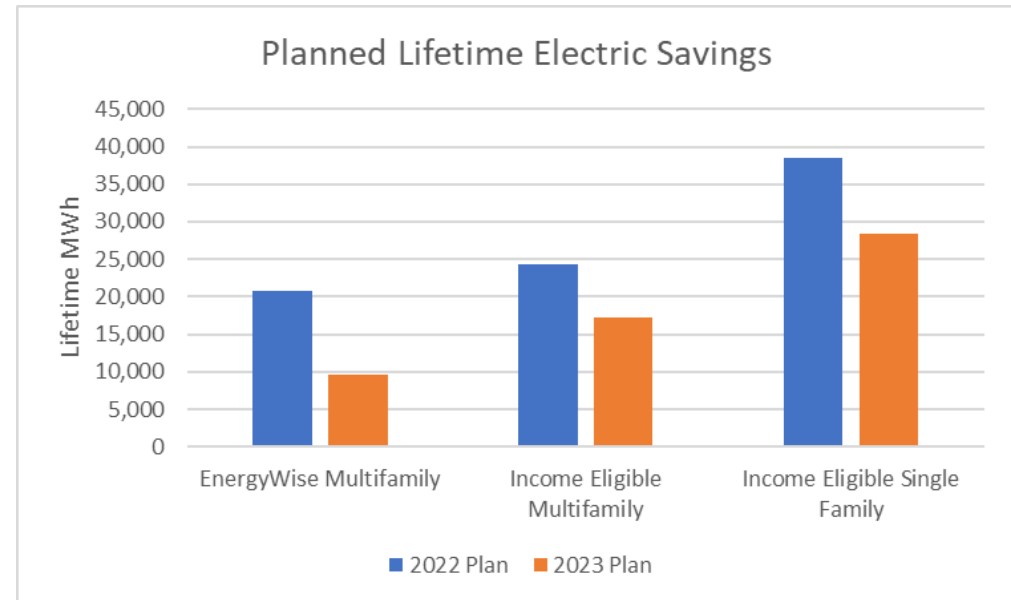
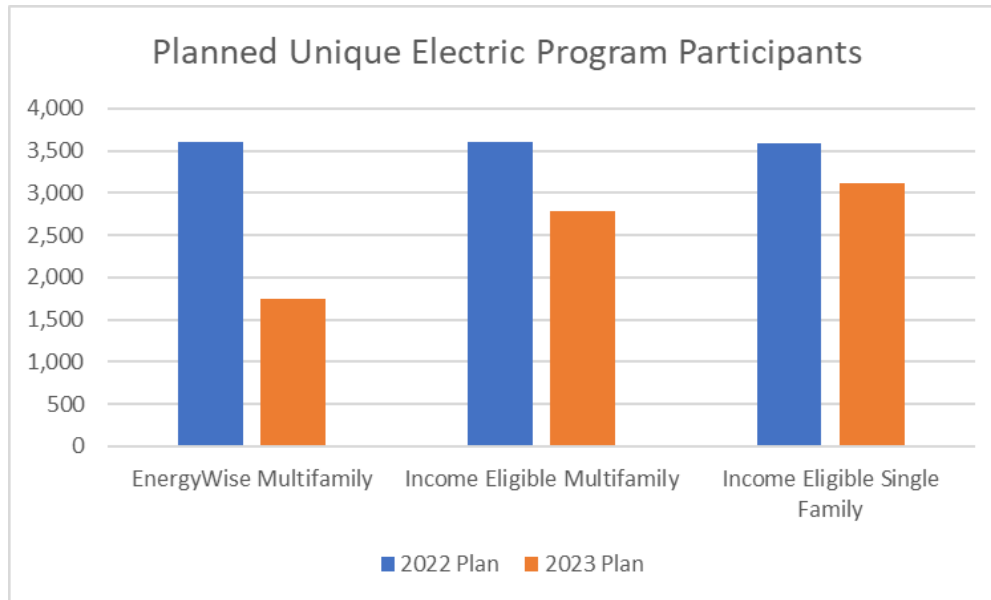




Incomplete Equity Content

Key Takeaway

Polished statements on equity prioritization at odds with reduced Income Eligible and Multifamily savings & participation; **few details on how** equity goals will be attained. **Equity commitments table blank** despite clear expectation of review opportunity.



Compared to 2022, participants and lifetime savings decrease for three key programs for equity (electric shown, but also true for gas)



Act on Climate & Carbon Reporting

Act on Climate compliance requirements still unclear

- Reporting only (as Plan currently suggests), or prioritizing/attaining emissions reductions?
- Plan presents carbon and local pollutant reporting as “secondary goals”
- Current plan reports only annual reductions of carbon dioxide

Several C-Team recommendations for GHG emissions reporting

- Suggest **reporting in units of CO2-equivalent (CO2e)** to enable inclusion of other GHG emissions in future (e.g., reduced gas leakage)
 - A current pilot exists to assess leak reduction as an efficiency measure
- Suggest **reporting avoided GHG emissions in multiple ways:**
 - **Annual reductions:** Avoided emissions this year (usually from energy savings)
 - **Lifetime reductions:** Avoided emissions for all years the efficiency upgrade is producing emissions reductions (similar to lifetime vs. annual energy savings)
 - **Annual reductions in 2030:** Avoided emissions in 2030 resulting from efficiency programs in the current program year



2022 Year-End Fund Balance

Large forecasted 2022 year-end fund balance a significant concern that is actively being investigated

Possible implication that Electric C&I will spend <\$1M in rest of 2022 quite concerning if true

Flagging here due to magnitude of fund balance, 2022 program delivery implications

Meeting planned with RI Energy between slide finalization and EERMC meeting – may have update



Inflation – QA and Budget Impacts

- The C-Team has identified two inflation-related items to raise:
- We are working to assess whether inflation is handled appropriately across the BC model and its inputs (e.g., program costs vs. avoided costs vs. non-energy impacts)

Council Discussion Question

Could higher-than-expected inflation be a potential reason for a budget increase above the PUC’s guideline of 5% growth each year?

Except of key requirement from PUC written ruling: “...present evidence that facts or other information presented at the time when the PUC set the target have since changed...”



COMMERCIAL AND INDUSTRIAL SECTOR REVIEW



Commercial & Industrial – Plan Highlights

Plan includes improvements to **increase non-lighting savings**, though many still in development

- Building Analytics Program, Streamlined New Construction participation pathways, and Workforce Development and expanded training opportunities

Additional BCR Model granularity helps with C-Team oversight moving forward

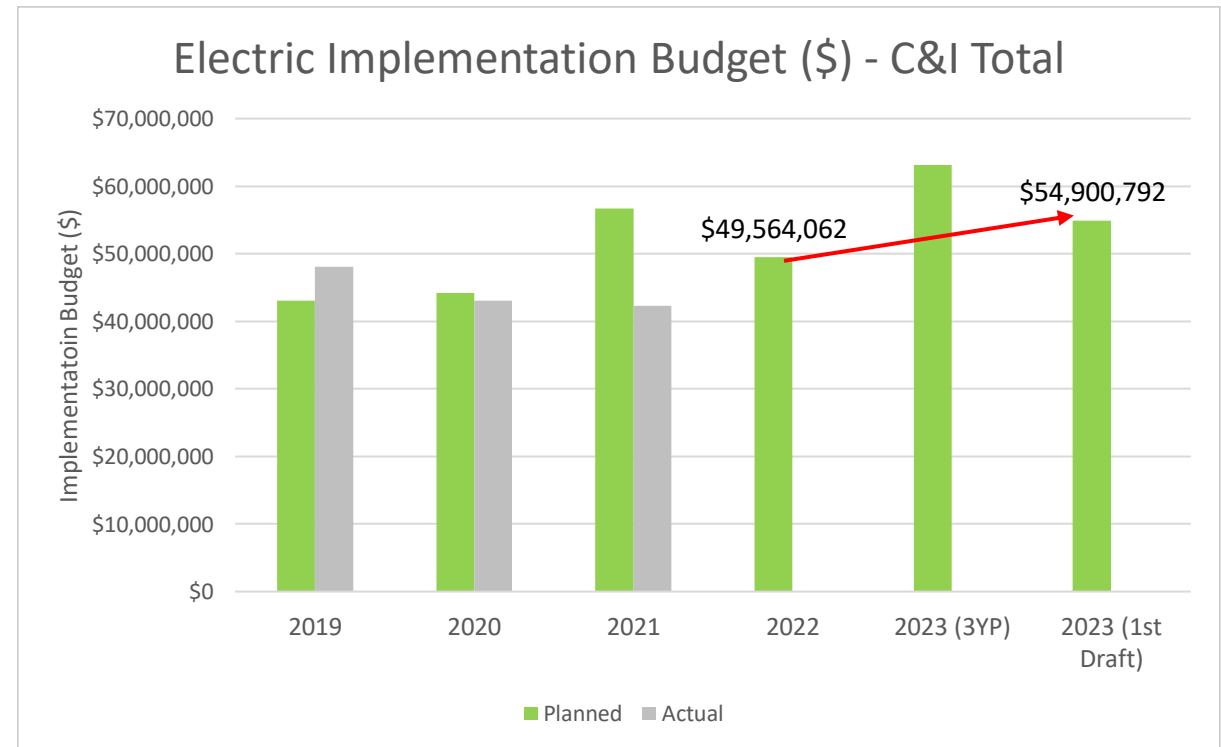
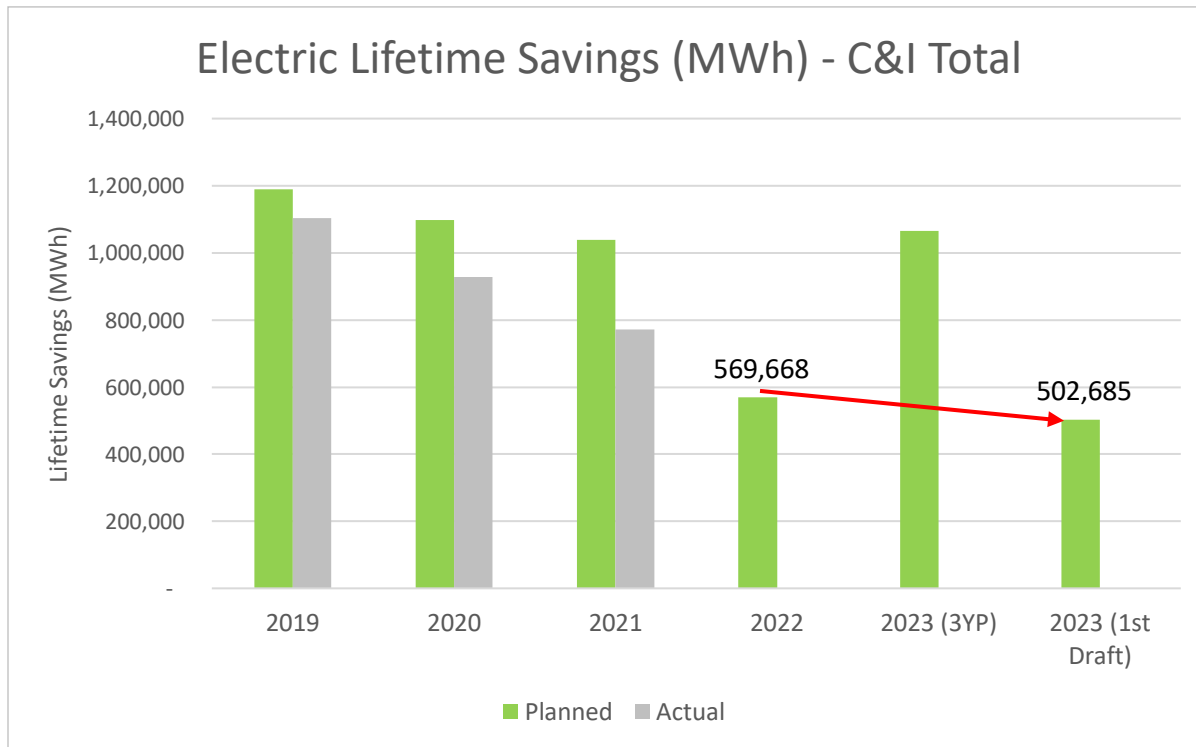
Planned C&I Connected Solutions capacity savings of 37,800 kW up 17% from 2022 Plan

Small Business Gas Weatherization volume may “regress substantially” without additional funding according to 2023 Plan narrative



Commercial & Industrial - Electric

Key Takeaway Planned C&I lifetime savings decline while budget rises (electric shown, also true for gas).



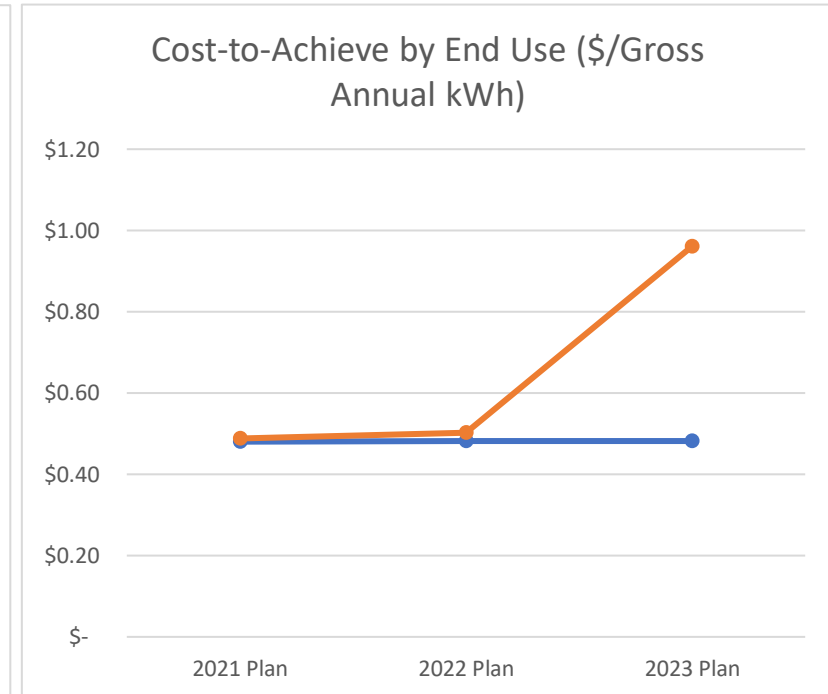
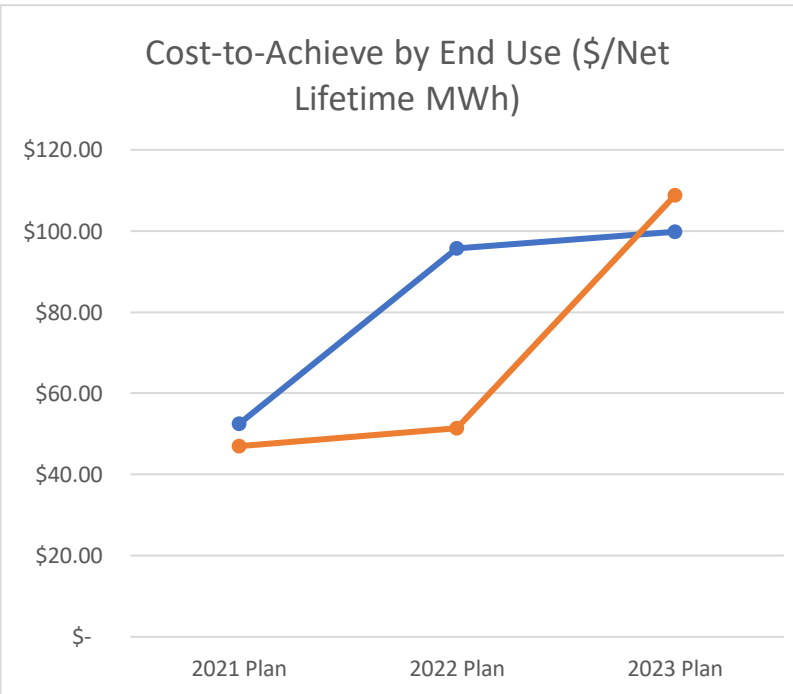


Commercial & Industrial - Electric

Reduced savings and **increased costs necessitate deeper understanding of cost assumptions**, though supply chain and inflation issues are acknowledged.

Non-lighting end uses saw Total Resource Cost per lifetime MWh increase 112% from 2022 to 2023. Increase still large when looking at gross annual savings (91.5%), so evaluation impacts not main driver.

Average Measure Life (Years)	2021	2022	2023
Lighting	12.4	7.1	7.2
Non-Lighting	14.1	13.5	12.5



Lighting — (blue line)
Non-Lighting — (orange line)

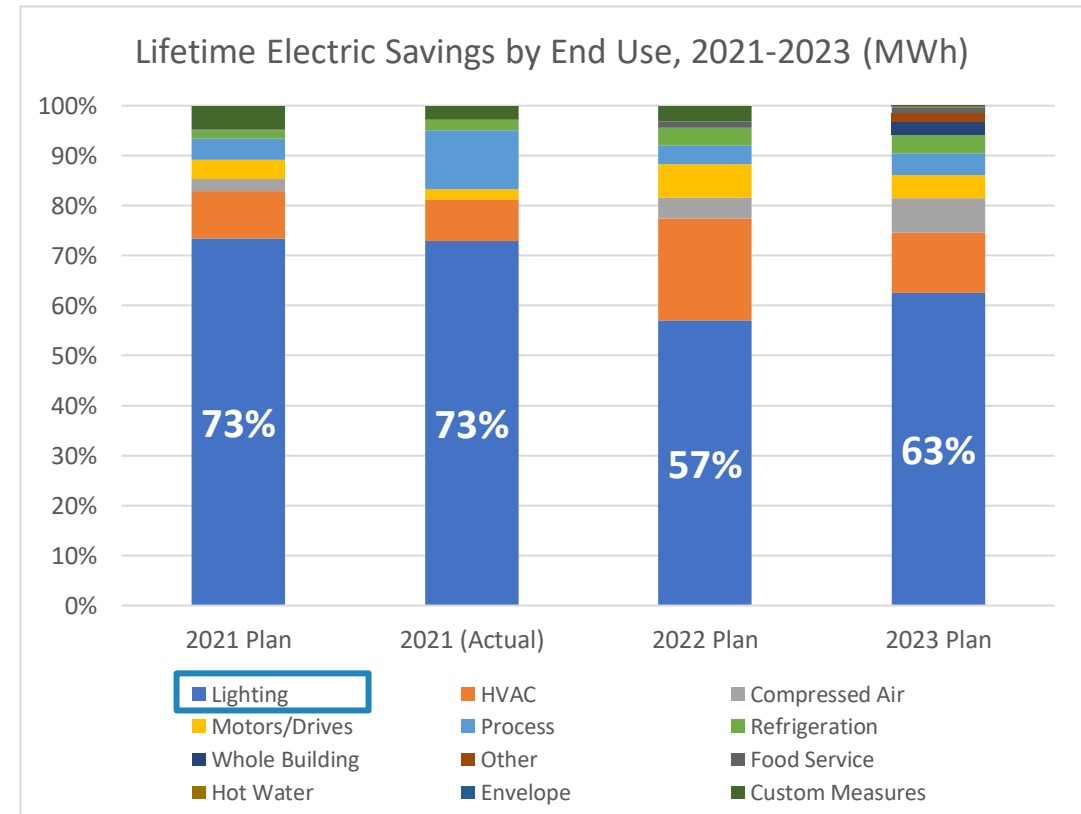
Note: Expect updated Evaluation Study results for 2023 Plan Second Draft



Commercial & Industrial - Electric

Key Takeaway Lack of diversification of savings from other end uses, despite 2023 Plan narrative. Three-Year Plan projected ~45% C&I lifetime MWh from lighting across 2021-2023.

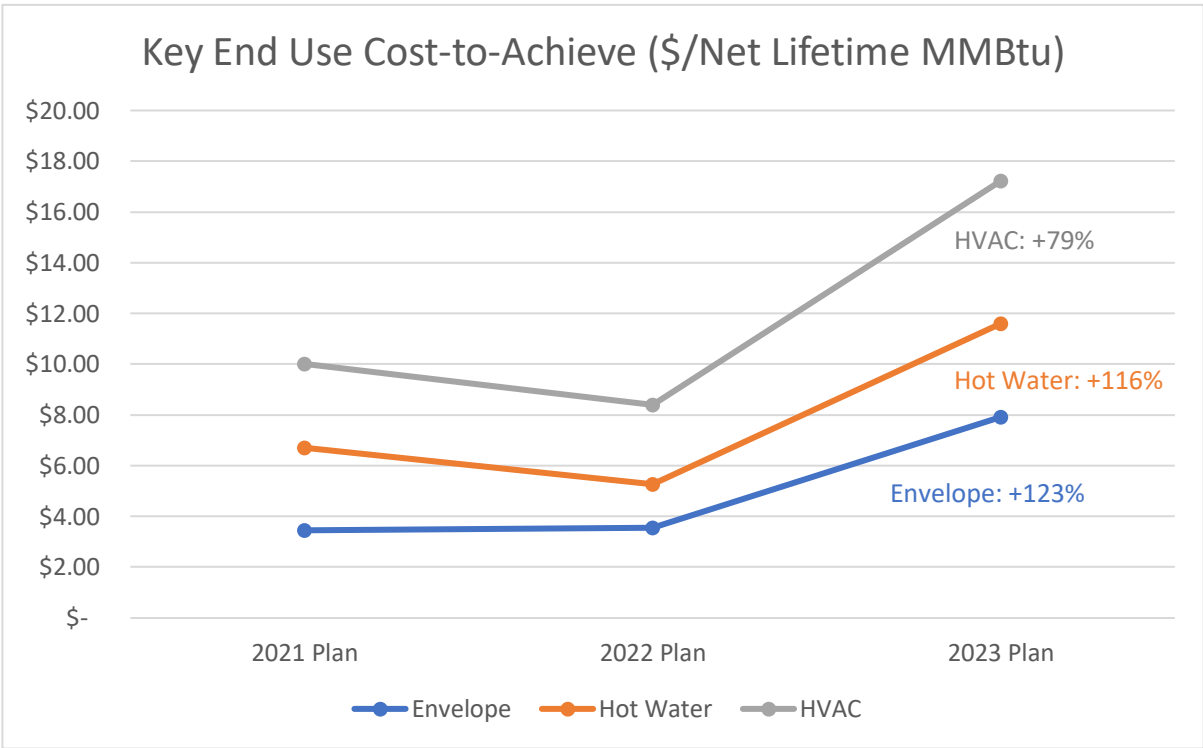
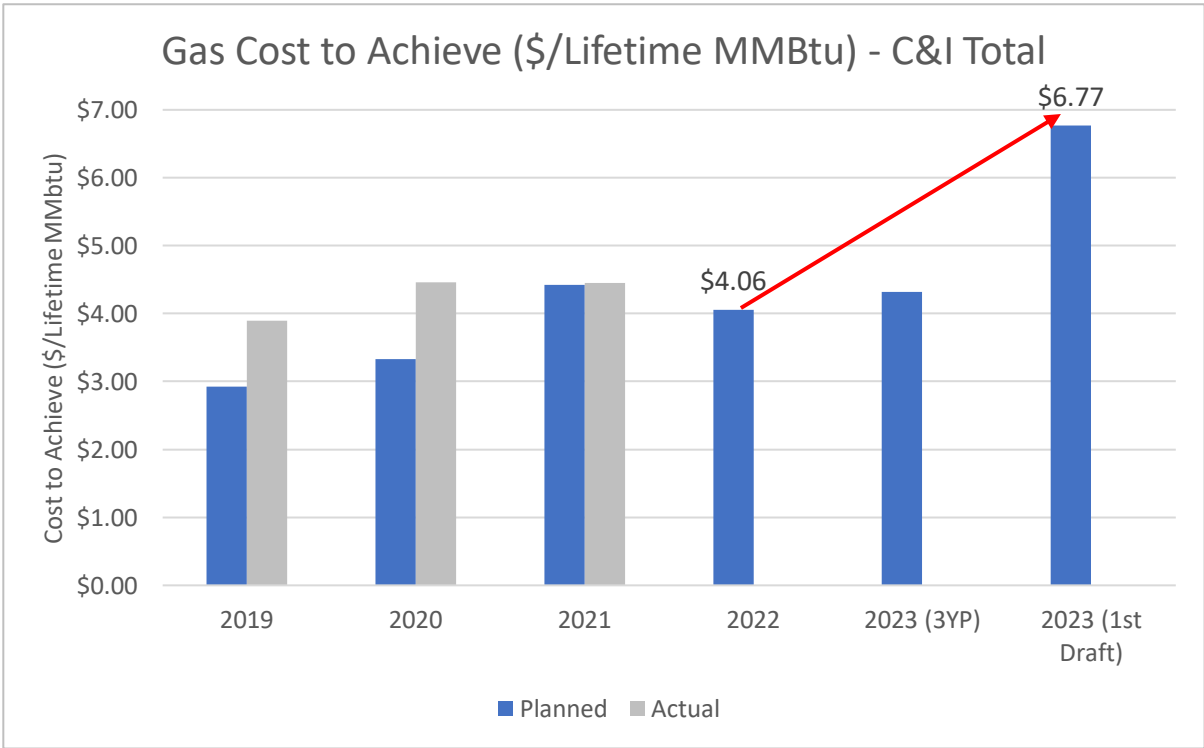
Total C&I Lifetime Electric Savings (MWh)			
Year	Lighting	Non-Lighting	Total
2021 Plan	763,660	275,476	1,039,135
2021 (Actual)	556,472	212,501	762,592
2022 Plan	324,711	244,957	569,668
2023 Plan	314,656	188,029	502,630





Commercial & Industrial - Gas

Key Takeaway 67% increase in total C&I Lifetime Gas Cost-to-Achieve from 2022 to 2023. Large increase seen across key end uses during the same period.





RESIDENTIAL SECTOR REVIEW



Residential - EnergyWise

Key Takeaway

Opportunities exist to reduce costs which could in turn allow for increased support for addressing weatherization barriers.

Plan continues 100% of weatherization projects to receive on-site close out

- Reducing this number, particularly for contractors with proven track records, would help to reduce costs

No indication of next steps following receipt of three comprehensive responses to RFI on qualified vendors to deliver building energy labels and home energy assessment automation

More attention needed to address pre-weatherization barriers

- More customer support needed to reduce participation bottlenecks
- Consideration of a direct incentive for addressing barriers



Residential - Multifamily

Key Takeaway Plan does indicate it will leverage non-participant study, but lacks sufficient detail and does not go far enough to address non-participants.

Changes for 2023 address customers with high propensity scores

- These are the non-participants that are most likely to participate under current program design with continued outreach

Does not address non-participants with low propensity scores, who make up over 50% of non-participants

- Non-participants who likely need new program design, marketing approaches, and/or delivery models



Residential – Income Eligible

Key Takeaway Unclear whether proposed changes for 2023 will drive improved program performance.

Key Performance Indicator (KPIs) tracking and reporting included as a method for driving performance

- Unclear how this will drive Community Action Program (CAP) Agencies who have historically underperformed

Inter-agency CAP referral process could help mitigate geographical inequity

- More detail is needed to understand why a successful CAP would draw resources away from its own customers to assist customers in another CAPs territory

Some items flagged at Income Eligible planning Deep Dive meetings not addressed in First Draft

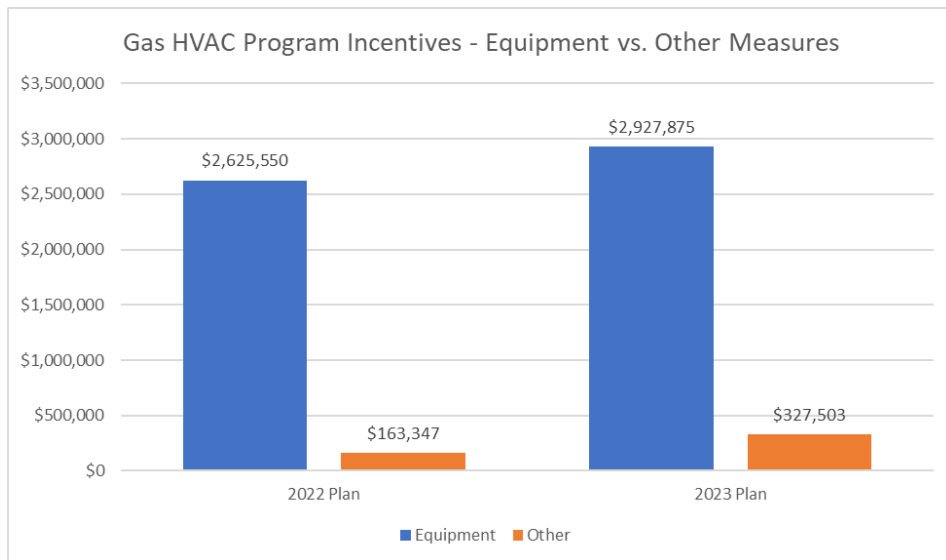
- Developing a connection between Appliance Management Program (AMP) audits and audits for Weatherization, which currently are conducted separately
- Improving or expanding data collection and reporting of weatherization barriers



Residential – HVAC

Would like to see stronger commitment to phase out gas equipment incentives

- This funding could support prioritized efficiency activities elsewhere



Equipment: Furnaces, Boilers, Water Heaters
Other: Showerheads, thermostats, controls

Would like to see stronger focus on heat pumps over central A/C

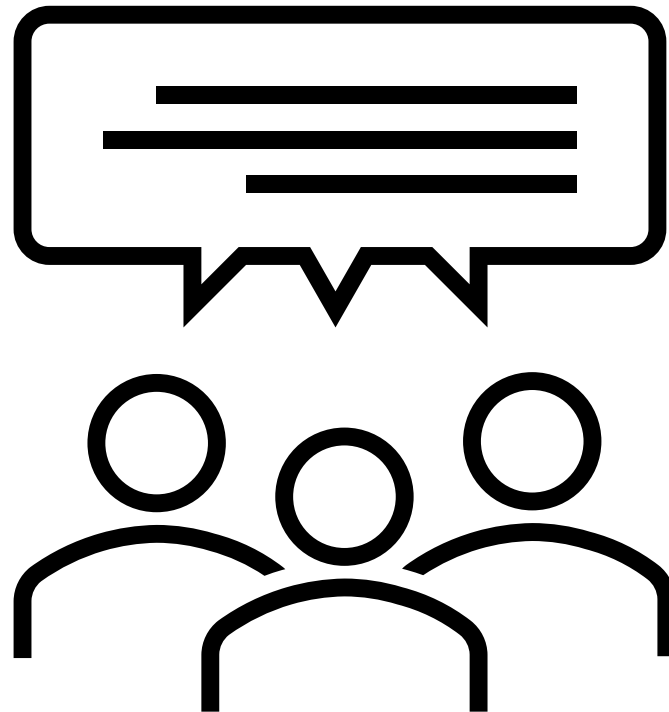
Measure	2023 Plan
Central AC	220
Central Heat Pump	35

Reduction in planned levels for key measures

Measure	2022 Plan	2023 Plan	Delta	% Change
Heat Pump Water Heater (<55 gal)	500	350	-150	-30%
Electric Resistance to Mini Split Heat Pump	425	337	-88	-21%



Council Member Discussion





APPENDICES





Appendix Outline

Next Steps & Process Overview

High-Level Review

Portfolio Data

Sector-Level Details



NEXT STEPS & PROCESS OVERVIEW





Next Steps

July 29th Comment Deadline: C-Team to finalize comments on 1st Draft 2023 EE Annual Plan, incorporating Council member input

C-Team available for Council member 1-on-1 discussions throughout planning process

Quantitative review ongoing, anticipated to continue beyond narrative comment submission

August 18th Council Meeting: Summary of comments and priorities for Final Draft review

Council member requests for coverage of specific topics/areas welcome

Default approach to focus on resolution of open questions and further quantitative findings

September 15th & 22nd Council Meetings: Discussion and vote on Final Draft of 2023 EE Annual Plan

Will include C-Team findings from review of Final Draft

Includes two meetings to ensure sufficient time to address any specific Council concerns

October 1st Deadline: Final Draft 2023 EE Annual Plan filed with the PUC



High-Level Process

Received 1st Draft 2023 EE Annual Plan on July 12th

Narrative text on 12th, BC Models 13th

Initial review informed Council materials

Continued review to inform talking points & Plan comments through tomorrow

Full narrative comments due back to RI Energy by July 29th

Quantitative review to continue due to several open questions, pending BC model clarifications



Further Details

HIGH-LEVEL REVIEW





Equity Details

2022 Final Draft Annual Plan contained 14 prioritized equity commitments

- Only included in final draft, precluding Council and stakeholder review
- Council expressed significant concern about lack of review opportunity during planning process and in writing to PUC

2023 First Draft Annual Plan lacks similar commitments

- Equity section contains slight text edits, blank table on commitments
- Concern regarding lack of review opportunity persists
 - No updates regarding progress on 2022 Plan commitments, adjustments due to learning-by-doing in 2022, or integration of Participant and Non-Participant studies recommendations
 - Sector sections contain some high-level references to equity and studies, subject to similar overarching concerns

Wish to note the inclusion of **equity efforts in the Commercial and Industrial sector**, something that has been historically out of focus

- That said, similar concerns present (e.g., equity provisions for Small Business lack specific targets)



Evaluation, Measurement & Verification

Some studies potentially applicable to the 2023 Plan still in progress or pending final decision on applicability (including some from MA and CT)

C&I lighting savings will be most impacted by Lighting Market Model Characterization, which is expected to have results ready in time for final draft 2023 EE Plan

Integration of some studies dependent on timely completion (on or before August 5th)

Plan accurately reflects recently completed RI studies in 2022 and planned RI studies for 2023

Participant and Non-Participant Studies not yet adequately incorporated into 2023 program strategies

Key consideration before Plan finalization: confirming proper input of EM&V factors from Technical Reference Manual Database into updated BCR Models



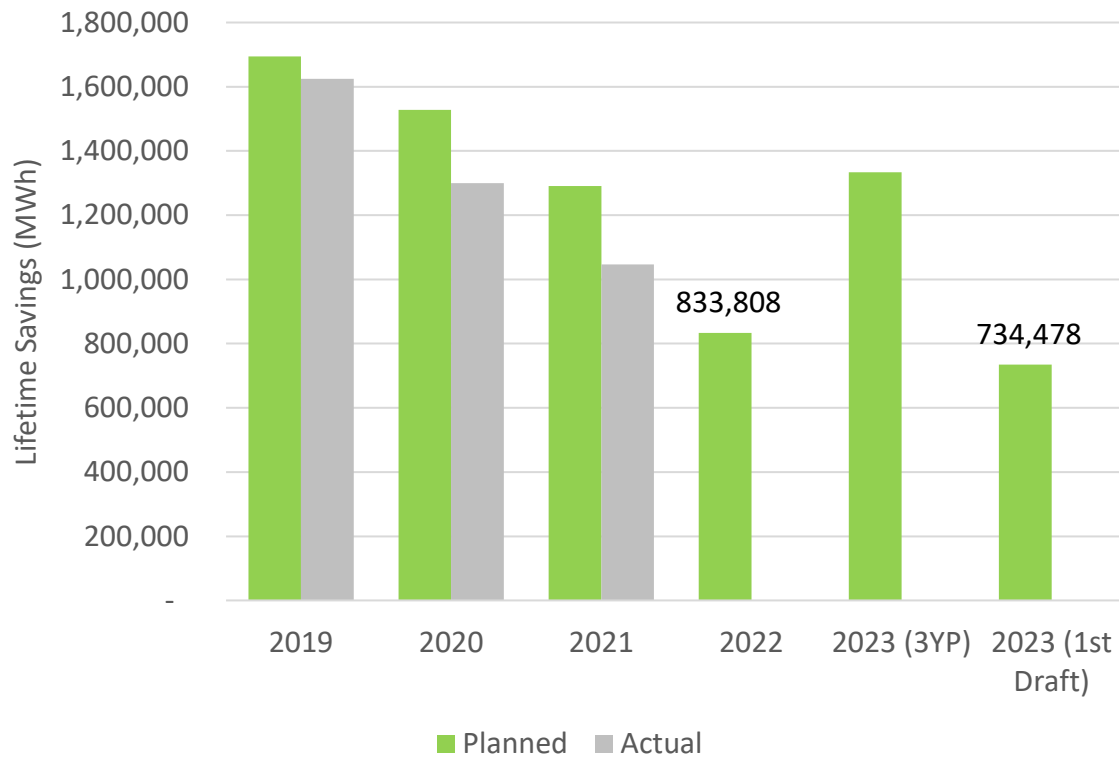
PORTFOLIO DATA



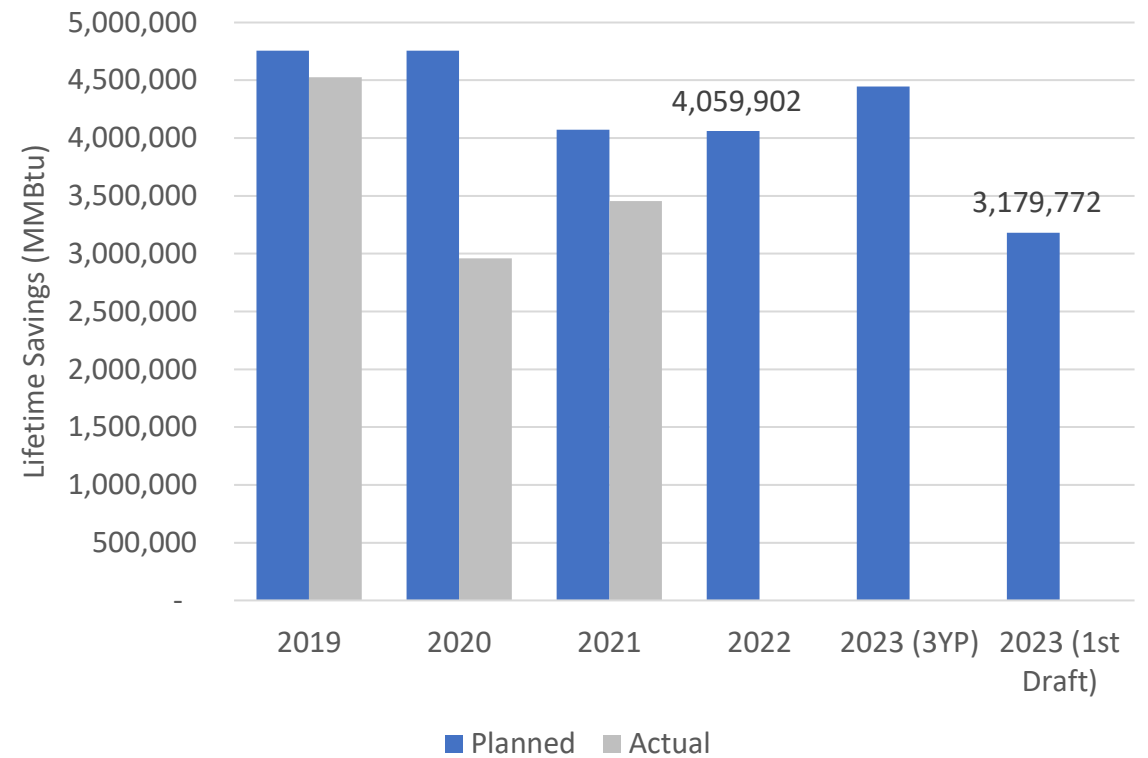


Portfolio Lifetime Savings

Electric Lifetime Savings (MWh) - Portfolio Total



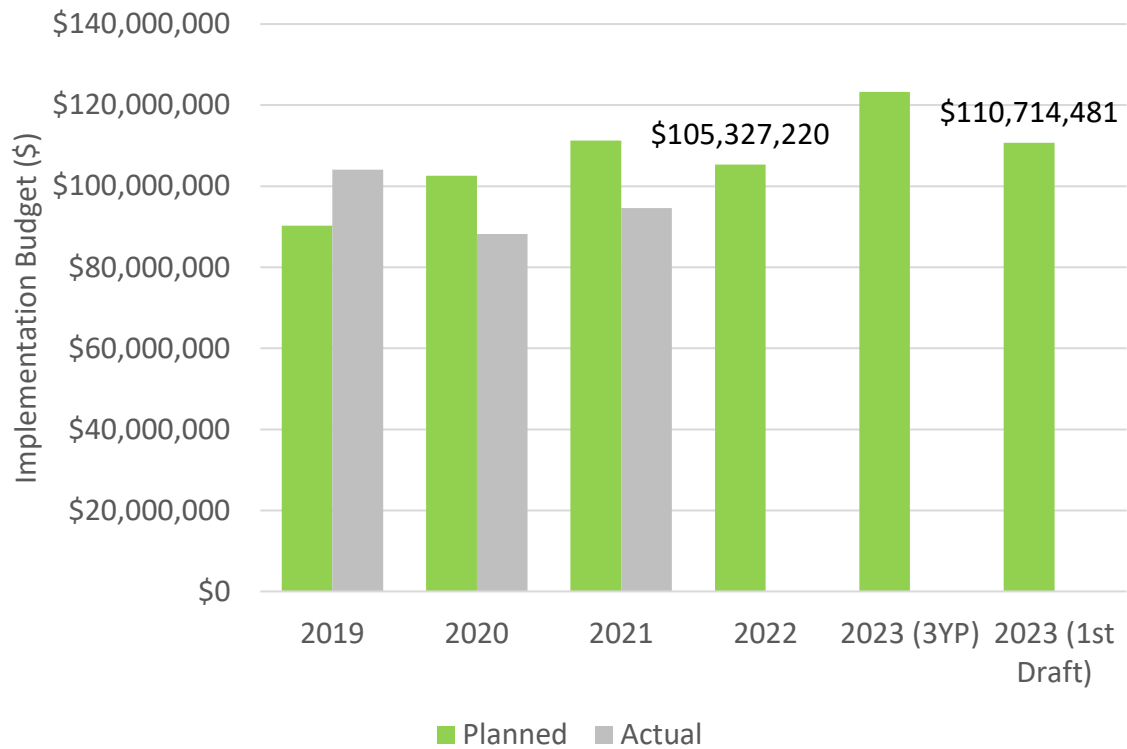
Gas Lifetime Savings (MMBtu) - Portfolio Total



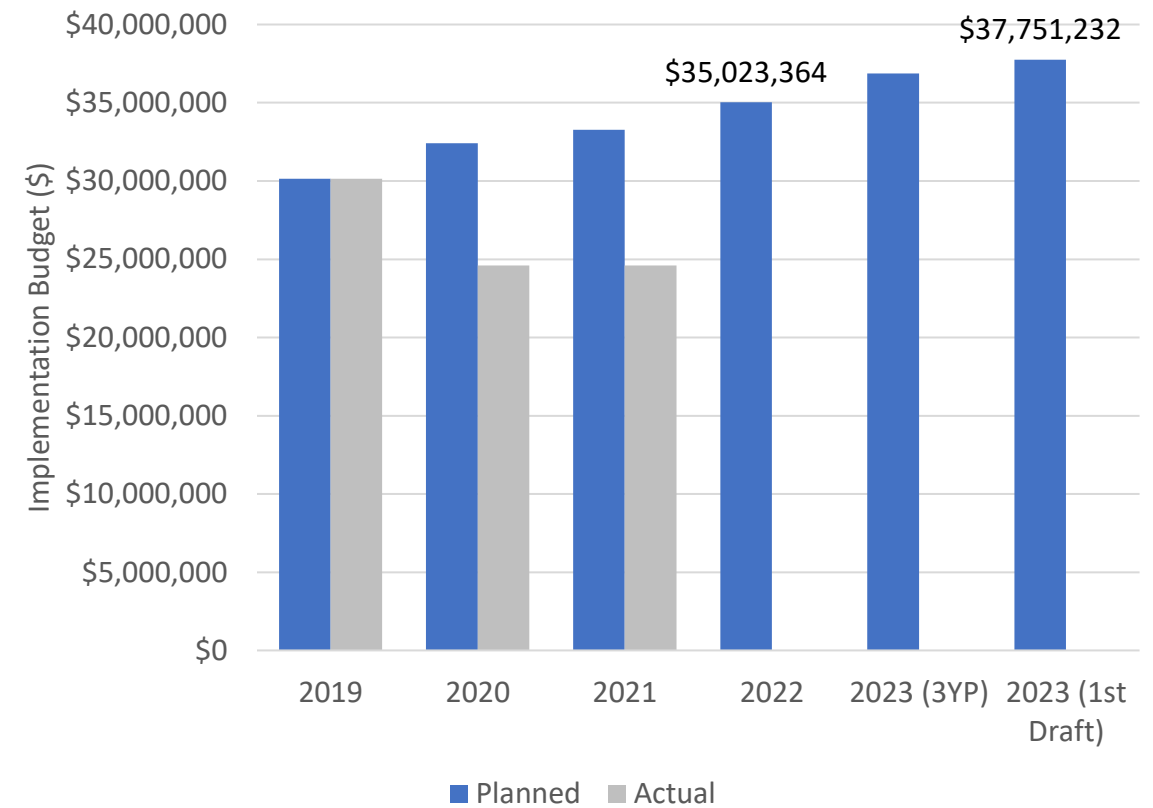


Portfolio Implementation Budget

Electric Implementation Budget (\$) - Portfolio Total



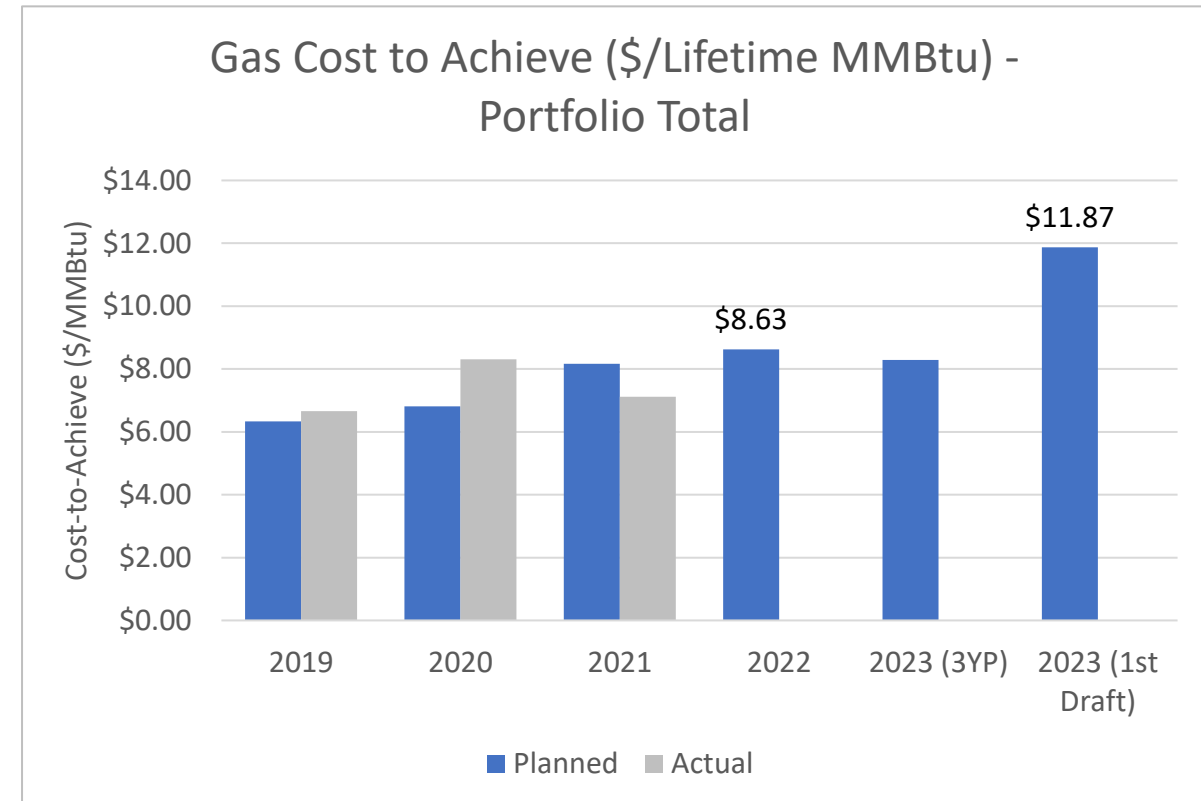
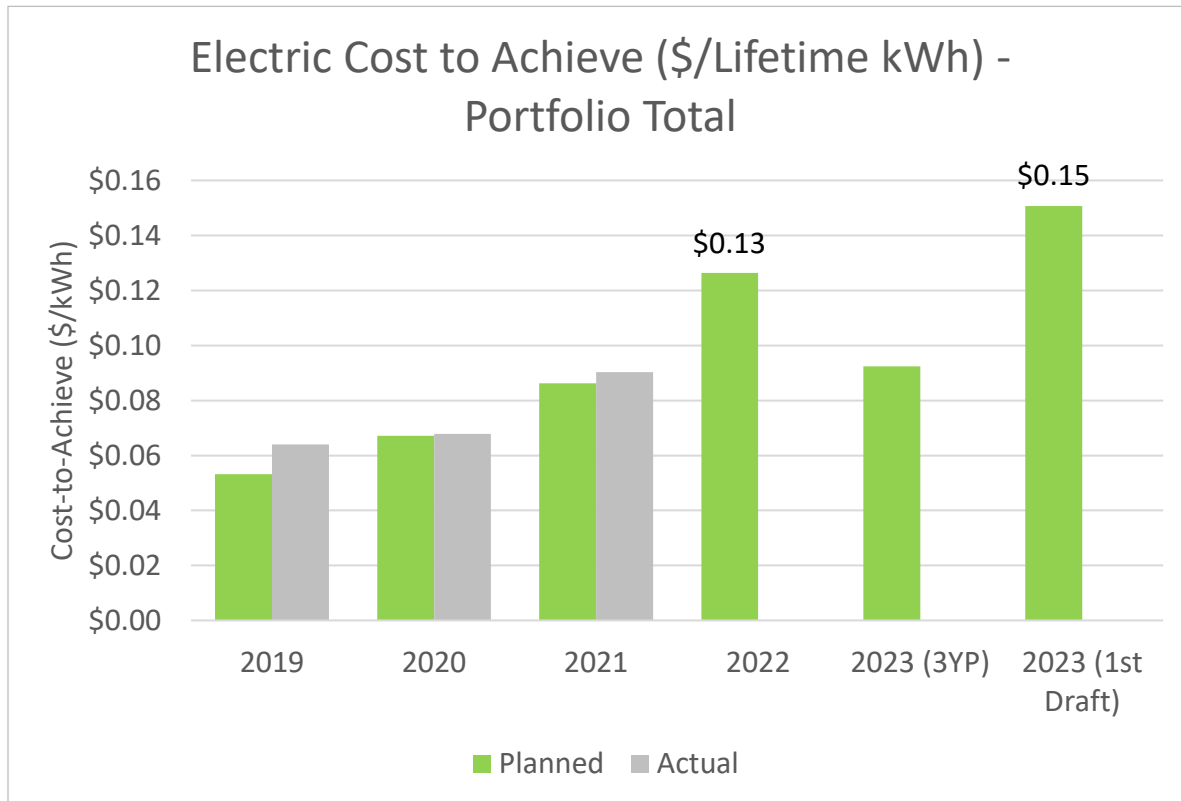
Gas Implementation Budget (\$) - Portfolio Total





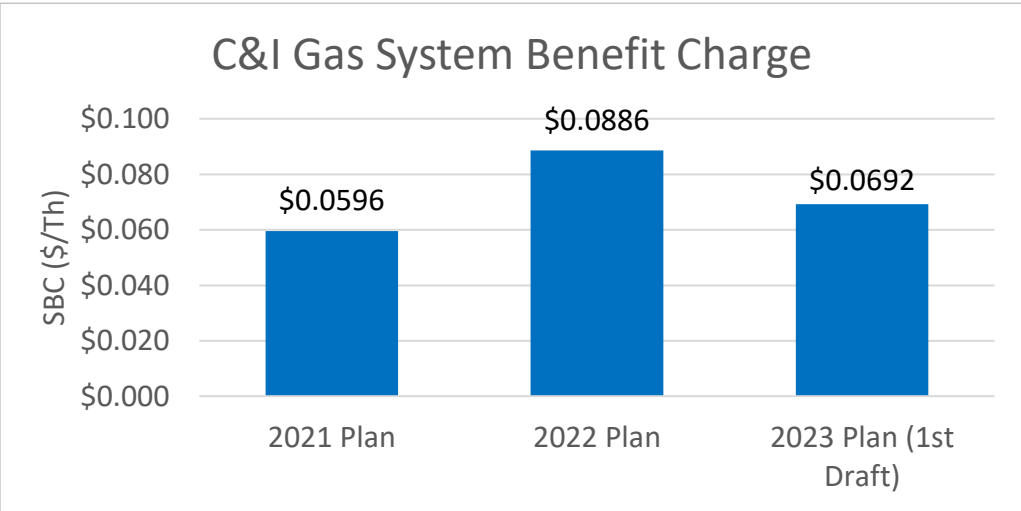
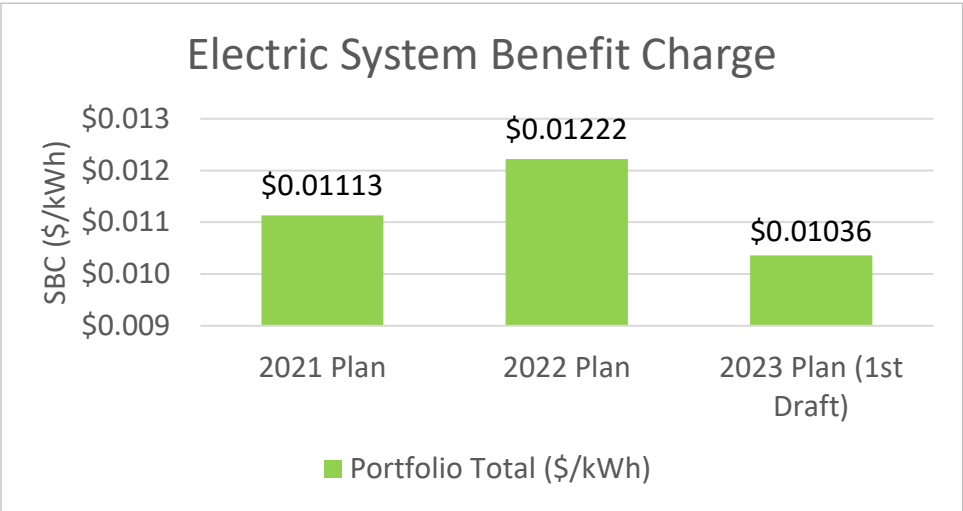
Portfolio Cost to Achieve

Electric cost to achieve has risen 19% from 2022 to 2023. Gas cost to achieve has increased 38% during the same period.

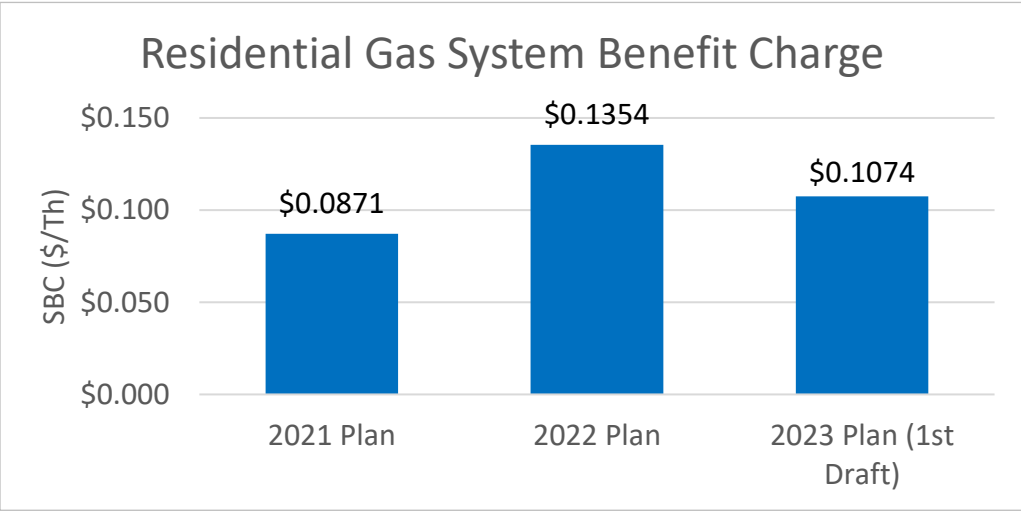




System Benefit Charge



Decrease in System Benefit Charge (SBC) across both portfolio partially attributable to high forecasted underspending in 2022





Portfolio Net Benefits: RI Test vs. PIM

Electric portfolio shows funding shift toward C&I sector, which has smallest difference between RI Test and PIM eligible net benefits. Gas shows no clear pattern.

Electric Total Benefits

Program	Reduction in Net Benefits	2023 (1st Draft) Implementation Budget Compared to 2022 Plan
C&I Total	-57.1%	10.8%
Income Eligible Total	-182.7%	-0.1%
Residential Total	-78.8%	1.0%
Portfolio Total	-73.0%	5.1%

Gas Total Benefits

Program	Reduction in Net Benefits	2023 (1st Draft) Implementation Budget Compared to 2022 Plan
C&I Total	-84.5%	10.9%
Income Eligible Total	-147.7%	-2.0%
Residential Total	-131.7%	14.9%
Portfolio Total	-112.8%	7.8%



Electric Lifetime MWhs

		LIFETIME MWhs				
% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
9%	Small Business Direct Install	63,612	-782	-1.2%	-48,960	-43.5%
20%	Large Commercial New Construction	147,186	-45,157	-23.5%	-34,787	-19.1%
40%	Large Commercial Retrofit	291,888	-21,044	-6.7%	-480,121	-62.2%
68%	C&I Total	502,685	-66,983	-11.8%	-563,868	-52.9%
4%	Single Family - Income Eligible Services	28,475	-10,032	-26.1%	-15,574	-35.4%
2%	Income Eligible Multifamily	17,228	-7,081	-29.1%	-7,391	-30.0%
6%	Income Eligible Total	45,703	-17,113	-27.2%	-22,964	-33.4%
2%	Residential New Construction	15,377	431	2.9%	-4,587	-23.0%
10%	ENERGY STAR® HVAC	74,205	-3,512	-4.5%	4,536	6.5%
2%	EnergyWise	16,102	2,630	19.5%	2,350	17.1%
1%	EnergyWise Multifamily	9,443	-11,340	-54.6%	-13,468	-58.8%
4%	Home Energy Reports	29,649	2,797	10.4%	2,797	10.4%
0%	ENERGY STAR® Lighting	0	0		0	
6%	Residential Consumer Products	41,313	-6,241	-13.1%	-3,535	-7.9%
25%	Residential Total	186,090	-15,235	-7.6%	-11,908	-6.0%
100%	Portfolio Total	734,478	-99,331	-11.9%	-598,740	-44.9%



Electric Annual MWhs

ANNUAL MWhs						
% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
10%	Small Business Direct Install	10,201	225	2%	-188	-2%
9%	Large Commercial New Construction	10,095	-2,494	-20%	-1,853	-16%
36%	Large Commercial Retrofit	38,594	-2,538	-6%	-23,860	-38%
55%	C&I Total	58,890	-4,807	-8%	-25,902	-31%
3%	Single Family - Income Eligible Services	2,816	-498	-15%	-925	-25%
1%	Income Eligible Multifamily	1,214	-324	-21%	-202	-14%
4%	Income Eligible Total	4,030	-821	-17%	-1,127	-22%
1%	Residential New Construction	779	-88	-10%	-257	-25%
4%	ENERGY STAR® HVAC	4,376	-244	-5%	71	2%
3%	EnergyWise	3,007	218	8%	1,576	110%
1%	EnergyWise Multifamily	630	-793	-56%	-710	-53%
28%	Home Energy Reports	29,649	2,797	10%	2,797	10%
0%	ENERGY STAR® Lighting	0	0		0	
5%	Residential Consumer Products	5,850	-1,034	-15%	-1,111	-16%
41%	Residential Total	44,291	856	2%	2,366	6%
100%	Portfolio Total	107,211	-4,772	-4%	-24,662	-19%



Electric Budget

IMPLEMENTATION BUDGET

% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
			2022 Plan	% Change	2023 3YP	% Change
7%	Small Business Direct Install	\$7,199,233	-\$1,684,058	-19%	-\$1,732,904	-19%
9%	Large Commercial New Construction	\$10,254,263	\$1,220,116	14%	\$1,625,362	19%
25%	Large Commercial Retrofit	\$27,693,006	\$2,682,456	11%	-\$8,650,751	-24%
2%	C&I Financing	\$2,000,000	\$0	0%	-\$3,000,000	-60%
0%	Community Based Initiatives - C&I	\$93,461	\$8,496	10%	\$0	0%
0%	Commercial Pilots	\$0	\$0		\$0	
7%	Commercial ConnectedSolutions	\$7,503,330	\$3,109,718	71%	\$3,369,607	82%
0%	Commercial Workforce Development	\$157,500	\$0	0%	\$157,500	
50%	C&I Total	\$54,900,792	\$5,336,730	11%	-\$8,231,187	-13%
12%	Single Family - Income Eligible Services	\$13,559,806	\$284,481	2%	-\$1,652,480	-11%
3%	Income Eligible Multifamily	\$3,229,869	-\$309,080	-9%	-\$756,580	-19%
0%	Income Eligible Workforce Development	\$0	\$0		\$0	
15%	Income Eligible Total	\$16,789,675	-\$24,599	0%	-\$2,409,060	-13%
2%	Residential New Construction	\$1,686,274	\$69,296	4%	\$113,951	7%
6%	ENERGY STAR® HVAC	\$6,549,697	\$1,865,337	40%	\$1,934,912	42%
14%	EnergyWise	\$15,019,808	-\$537,145	-3%	-\$4,586,432	-23%
2%	EnergyWise Multifamily	\$1,882,753	-\$1,355,556	-42%	-\$1,501,704	-44%
2%	Home Energy Reports	\$2,658,311	\$19,174	1%	\$34,243	1%
0%	ENERGY STAR® Lighting	\$0	\$0		\$0	
3%	Residential Consumer Products	\$2,818,026	\$21,992	1%	-\$403,426	-13%
0%	Energy Efficiency Education	\$0	\$0		-\$40,000	-100%
0%	Comprehensive Marketing - Residential	\$310,731	\$62,787	25%	-\$55,288	-15%
0%	Community Based Initiatives - Residential	\$280,564	\$25,490	10%	-\$2,390	-1%
2%	Residential ConnectedSolutions	\$1,985,419	\$162,827	9%	-\$902,374	-31%
0%	Residential Pilots	\$0	\$0		\$0	
0%	Residential Workforce Development	\$0	\$0		\$0	
30%	Residential Total	\$33,191,582	\$334,203	1%	-\$5,408,510	-14%
1%	EERMC	\$766,245	\$0	0%	-\$396,152	-34%
1%	OER	\$1,328,695	-\$261,565	-16%	\$166,299	14%
	Rhode Island Infrastructure Bank	\$3,737,491	\$2,491	0%	\$3,737,491	
5%	Regulatory Total	\$5,832,431	-\$259,074	-4%	\$3,507,638	151%
100%	Portfolio Total	\$110,714,481	\$5,387,260	5%	-\$12,541,119	-10%



Electric Lifetime Cost to Achieve (\$/kWh)

\$/LIFETIME kWh

Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
		Change (\$)	Change (%)	Change (\$)	Change (%)
Small Business Direct Install	\$0.11	-\$0.02	-18%	\$0.03	43%
Large Commercial New Construction	\$0.07	\$0.02	48%	\$0.02	47%
Large Commercial Retrofit	\$0.09	\$0.01	19%	\$0.05	102%
C&I Total	\$0.11	\$0.02	26%	\$0.05	85%
Single Family - Income Eligible Services	\$0.48	\$0.13	38%	\$0.13	38%
Income Eligible Multifamily	\$0.19	\$0.04	29%	\$0.03	16%
Income Eligible Total	\$0.37	\$0.10	37%	\$0.09	31%
Residential New Construction	\$0.11	\$0.00	1%	\$0.03	39%
ENERGY STAR® HVAC	\$0.09	\$0.03	46%	\$0.02	33%
EnergyWise	\$0.93	-\$0.22	-19%	-\$0.49	-35%
EnergyWise Multifamily	\$0.20	\$0.04	28%	\$0.05	35%
Home Energy Reports	\$0.09	-\$0.01	-9%	-\$0.01	-8%
ENERGY STAR® Lighting					
Residential Consumer Products	\$0.07	\$0.01	16%	\$0.00	-5%
Residential Total	\$0.18	\$0.02	9%	-\$0.02	-9%
Portfolio Total	\$0.15	\$0.02	19%	\$0.06	63%



Electric Annual Cost to Achieve (\$/kWh)

\$/ANNUAL kWh

Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 PUC Compliance Filing	
		Change (\$)	Change (%)	Change (\$)	Change (%)
Small Business Direct Install	\$0.71	-\$0.18	-21%	-\$0.15	-18%
Large Commercial New Construction	\$1.02	\$0.30	42%	\$0.29	41%
Large Commercial Retrofit	\$0.72	\$0.11	18%	\$0.14	23%
C&I Total	\$0.93	\$0.15	20%	\$0.19	25%
Single Family - Income Eligible Services	\$4.82	\$0.81	20%	\$0.75	18%
Income Eligible Multifamily	\$2.66	\$0.36	16%	-\$0.16	-6%
Income Eligible Total	\$4.17	\$0.70	20%	\$0.44	12%
Residential New Construction	\$2.17	\$0.30	16%	\$0.65	43%
ENERGY STAR® HVAC	\$1.50	\$0.48	48%	\$0.42	40%
EnergyWise	\$4.99	-\$0.58	-10%	-\$8.71	-64%
EnergyWise Multifamily	\$2.99	\$0.71	31%	\$0.46	18%
Home Energy Reports	\$0.09	-\$0.01	-9%	-\$0.01	-8%
ENERGY STAR® Lighting					
Residential Consumer Products	\$0.48	\$0.08	19%	\$0.02	4%
Residential Total	\$0.75	-\$0.01	-1%	-\$0.17	-19%
Portfolio Total	\$1.03	\$0.09	10%	\$0.10	10%



Gas Lifetime MMBtus

		LIFETIME MMBtus					
% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP		
16%	Large Commercial New Construction	507,961	-280,802	-36%	25,447	5%	
29%	Large Commercial Retrofit	925,439	-407,070	-31%	-716,030	-44%	
2%	Small Business Direct Install	64,521	-27,179	-30%	9,375	17%	
2%	Commercial & Industrial Multifamily	60,158	-71,062	-54%	-81,711	-58%	
49%	C&I Total	1,558,079	-786,112	-34%	-762,919	-33%	
5%	Single Family - Income Eligible Services	169,180	-49,667	-23%	-61,064	-27%	
6%	Income Eligible Multifamily	196,519	-76,566	-28%	-119,026	-38%	
12%	Income Eligible Total	365,699	-126,233	-26%	-180,090	-33%	
16%	Energy Star® HVAC	516,670	76,953	18%	-249,609	-33%	
15%	EnergyWise	467,356	-11,195	-2%	-28,642	-6%	
4%	EnergyWise Multifamily	134,723	-12,341	-8%	-14,588	-10%	
2%	Home Energy Reports	74,245	-19,302	-21%	-19,302	-21%	
2%	Residential New Construction	62,999	-1,900	-3%	-12,185	-16%	
39%	Residential Total	1,255,993	32,215	3%	-324,327	-21%	
100%	Portfolio Total	3,179,772	-880,130	-22%	-1,267,336	-28%	



Gas Annual MMBtus

		ANNUAL MMBtus					
% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP		
12%	Large Commercial New Construction	34,808	-18,148	-34%	4,602	15%	
29%	Large Commercial Retrofit	80,414	-62,474	-44%	-116,963	-59%	
2%	Small Business Direct Install	5,688	-425	-7%	174	3%	
1%	Commercial & Industrial Multifamily	3,950	-4,853	-55%	-5,494	-58%	
45%	C&I Total	124,859	-85,901	-41%	-117,681	-49%	
3%	Single Family - Income Eligible Services	8,230	-2,712	-25%	-3,282	-29%	
5%	Income Eligible Multifamily	12,652	-2,048	-14%	-1,747	-12%	
7%	Income Eligible Total	20,883	-4,760	-19%	-5,029	-19%	
11%	Energy Star® HVAC	30,691	3,950	15%	-13,254	-30%	
7%	EnergyWise	19,725	-1,125	-5%	-2,003	-9%	
2%	EnergyWise Multifamily	6,466	-1,814	-22%	-2,252	-26%	
26%	Home Energy Reports	74,245	-19,302	-21%	-19,302	-21%	
1%	Residential New Construction	3,476	-134	-4%	-554	-14%	
48%	Residential Total	134,602	-18,425	-12%	-37,367	-22%	
100%	Portfolio Total	280,344	-109,085	-28%	-160,077	-36%	



Gas Budget

IMPLEMENTATION BUDGET

% of 2023 Portfolio	Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
7%	Large Commercial New Construction	\$2,502,435	-\$684,150	-21%	-\$335,398	-12%
14%	Large Commercial Retrofit	\$5,295,779	\$599,475	13%	-\$36,453	-1%
1%	Small Business Direct Install	\$360,862	\$4,977	1%	-\$204,141	-36%
2%	Commercial & Industrial Multifamily	\$759,329	-\$197,935	-21%	-\$270,490	-26%
0%	Comprehensive Marketing - Commercial and Industrial	\$0	\$0		\$0	
1%	Commercial Pilots	\$268,042	\$52,262	24%	\$45,782	21%
0%	Finance Costs	\$0	\$0		\$0	
0%	Community Based Initiatives - C&I	\$31,154	\$2,832	10%	\$0	0%
3%	RIIB	\$1,262,509	\$1,262,509		\$1,262,509	
0%	Commercial Workforce Development	\$67,500	\$0	0%	\$67,500	
28%	C&I Total	\$10,547,611	\$1,039,971	11%	\$529,310	5%
14%	Single Family - Income Eligible Services	\$5,459,967	-\$911,797	-14%	-\$1,342,572	-20%
10%	Income Eligible Multifamily	\$3,678,649	\$729,703	25%	\$698,304	23%
0%	Income Eligible Workforce Development	\$0	\$0		\$0	
24%	Income Eligible Total	\$9,138,616	-\$182,094	-2%	-\$644,268	-7%
11%	Energy Star® HVAC	\$4,174,651	\$442,187	12%	-\$161,825	-4%
26%	EnergyWise	\$9,934,177	\$1,288,247	15%	\$680,763	7%
4%	EnergyWise Multifamily	\$1,527,363	\$38,209	3%	\$36,415	2%
1%	Home Energy Reports	\$445,567	\$3,739	1%	\$4,277	1%
3%	Residential New Construction	\$965,157	\$451,994	88%	\$350,374	57%
0%	Comprehensive Marketing - Residential	\$69,096	\$1,063	2%	-\$1,813	-3%
0%	Residential Pilots	\$0	\$0		\$0	
0%	Community Based Initiatives - Residential	\$93,461	\$8,496	10%	-\$1,308	-1%
0%	Residential Workforce Development	\$0	\$0		\$0	
46%	Residential Total	\$17,209,472	\$2,233,936	15%	\$906,883	6%
1%	EERMC	\$259,518	-\$228,274	-47%	-\$118,010	-31%
2%	OER	\$596,016	-\$135,672	-19%	\$218,488	58%
2%	Regulatory Total	\$855,534	-\$363,945	-30%	\$100,478	13%
100%	Portfolio Total	\$37,751,232	\$2,727,868	8%	\$892,403	2%



Gas Lifetime Cost to Achieve (\$/MMBtu)

\$/LIFETIME MMBtu

Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
		Value	%	Value	%
Large Commercial New Construction	\$4.93	\$0.89	22%	-\$0.95	-16%
Large Commercial Retrofit	\$5.72	\$2.20	62%	\$2.47	76%
Small Business Direct Install	\$5.59	\$1.71	44%	-\$4.65	-45%
Commercial & Industrial Multifamily	\$12.62	\$5.33	73%	\$5.36	74%
C&I Total	\$6.77	\$2.71	67%	\$2.45	57%
Single Family - Income Eligible Services	\$32.27	\$3.16	11%	\$2.73	9%
Income Eligible Multifamily	\$18.72	\$7.92	73%	\$9.27	98%
Income Eligible Total	\$24.99	\$6.04	32%	\$7.07	39%
Energy Star® HVAC	\$8.08	-\$0.41	-5%	\$2.42	43%
EnergyWise	\$21.26	\$3.19	18%	\$2.60	14%
EnergyWise Multifamily	\$11.34	\$1.21	12%	\$1.35	14%
Home Energy Reports	\$6.00	\$1.28	27%	\$1.28	27%
Residential New Construction	\$15.32	\$7.41	94%	\$7.14	87%
Residential Total	\$13.70	\$1.46	12%	\$3.39	33%
Portfolio Total	\$11.87	\$3.25	38%	\$3.58	43%



Gas Annual Cost to Achieve (\$/MMBtu)

<u>\$/ANNUAL MMBtu</u>		2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 PUC Compliance Filing	
Program	2023 (1st Draft)				
Large Commercial New Construction	\$71.89	\$11.72	19%	-\$22.06	-23%
Large Commercial Retrofit	\$65.86	\$32.99	100%	\$38.84	144%
Small Business Direct Install	\$63.44	\$5.22	9%	-\$39.02	-38%
Commercial & Industrial Multifamily	\$192.25	\$83.51	77%	\$83.20	76%
C&I Total	\$84.48	\$39.36	87%	\$43.17	105%
Single Family - Income Eligible Services	\$663.40	\$81.09	14%	\$72.50	12%
Income Eligible Multifamily	\$290.75	\$90.14	45%	\$83.77	40%
Income Eligible Total	\$437.62	\$74.13	20%	\$60.06	16%
Energy Star® HVAC	\$136.02	-\$3.56	-3%	\$37.34	38%
EnergyWise	\$503.63	\$88.96	21%	\$77.77	18%
EnergyWise Multifamily	\$236.23	\$56.36	31%	\$65.21	38%
Home Energy Reports	\$6.00	\$1.28	27%	\$1.28	27%
Residential New Construction	\$277.69	\$135.53	95%	\$125.13	82%
Residential Total	\$127.85	\$29.99	31%	\$33.05	35%
Portfolio Total	\$134.66	\$44.73	50%	\$50.97	61%



Active Demand kW Savings

ConnectedSolutions (kW Active Demand)

Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
		Value	%	Value	%
Commercial ConnectedSolutions	37,800	5,400.0	17%	-4,200.0	-10%
Residential ConnectedSolutions	7,878	512.9	7%	-625.9	-7%
Portfolio Total	45,678	5,912.9	15%	-4,825.9	-10%



Active Demand Cost to Achieve (\$/kW)

ConnectedSolutions (\$/kW)

Program	2023 (1st Draft)	2023 (1st Draft) Compared to 2022 Plan		2023 (1st Draft) Compared to 2023 3YP	
		Amount	%	Amount	%
Commercial ConnectedSolutions	\$198.50	\$62.90	46%	\$100.08	102%
Residential ConnectedSolutions	\$252.02	\$4.56	2%	-\$87.57	-26%
Portfolio Total	\$207.73	\$51.41	33%	\$68.70	49%



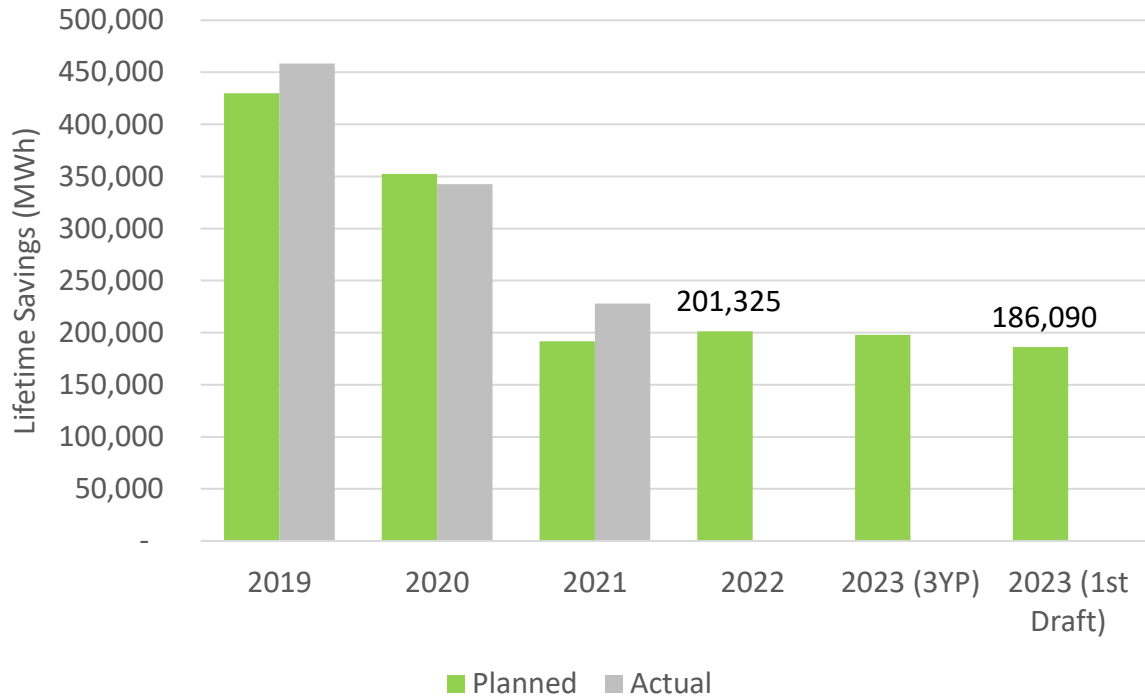
SECTOR-LEVEL DETAILS



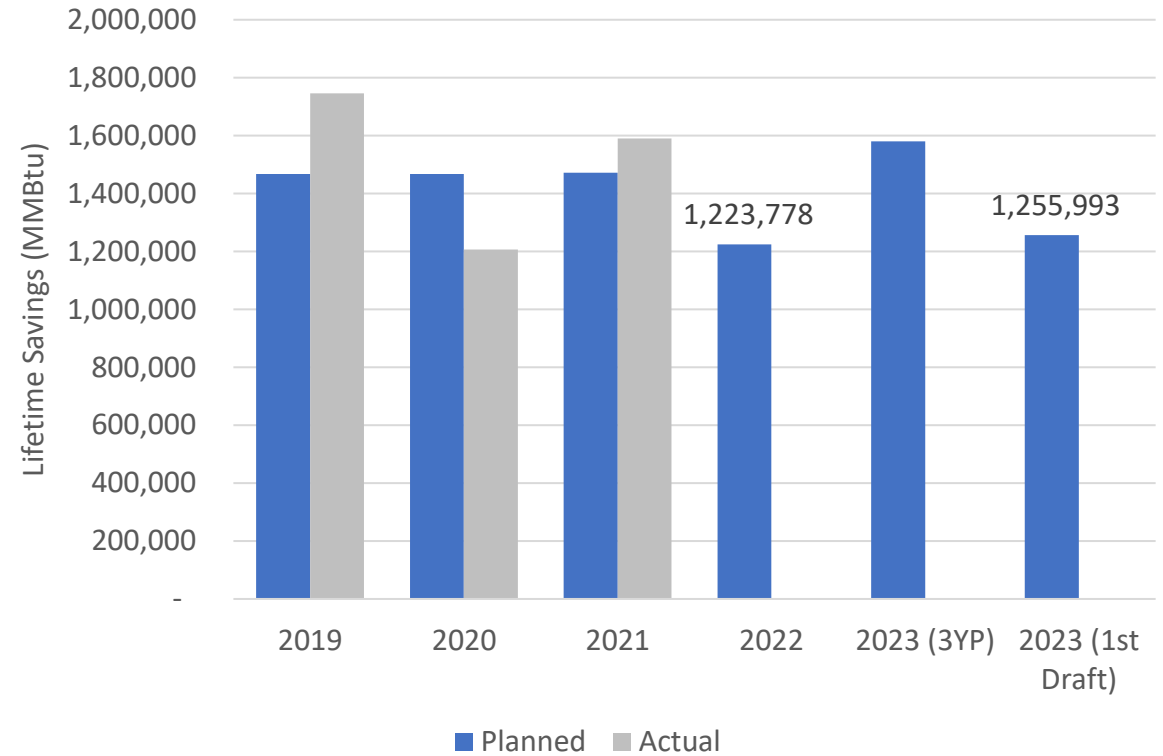


Residential Lifetime Savings

Electric Lifetime Savings (MWh) - Residential Total



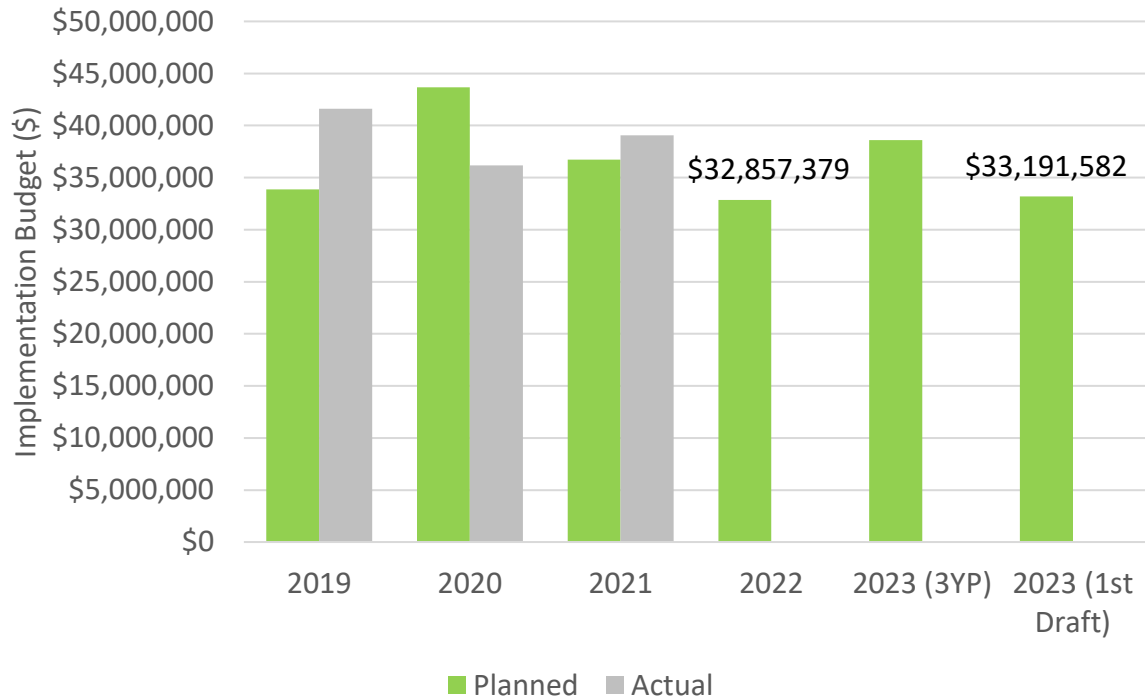
Gas Lifetime Savings (MMBtu) - Residential Total



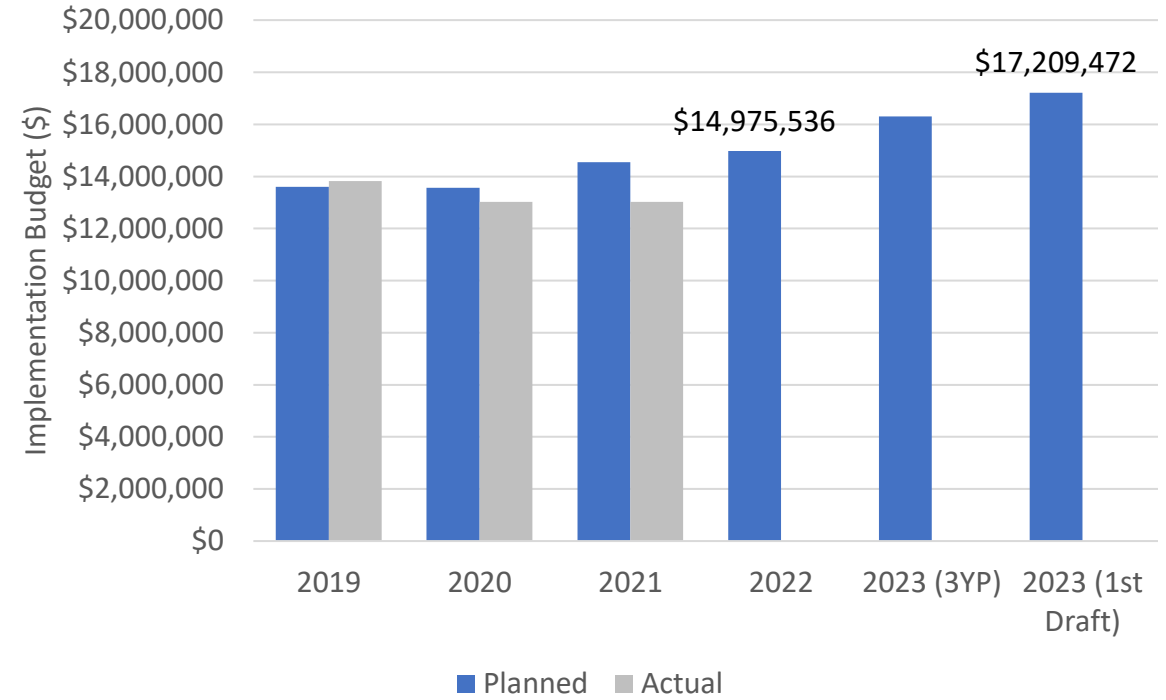


Residential Implementation Budget

Electric Implementation Budget (\$) - Residential Total



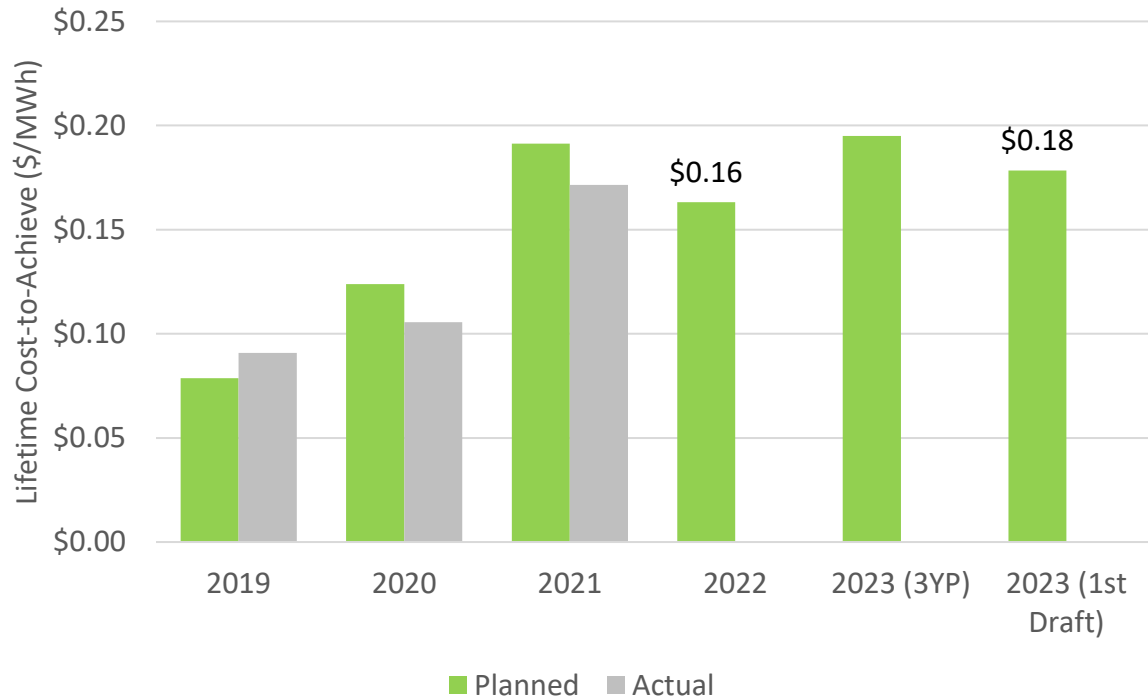
Gas Implementation Budget (\$) - Residential Total



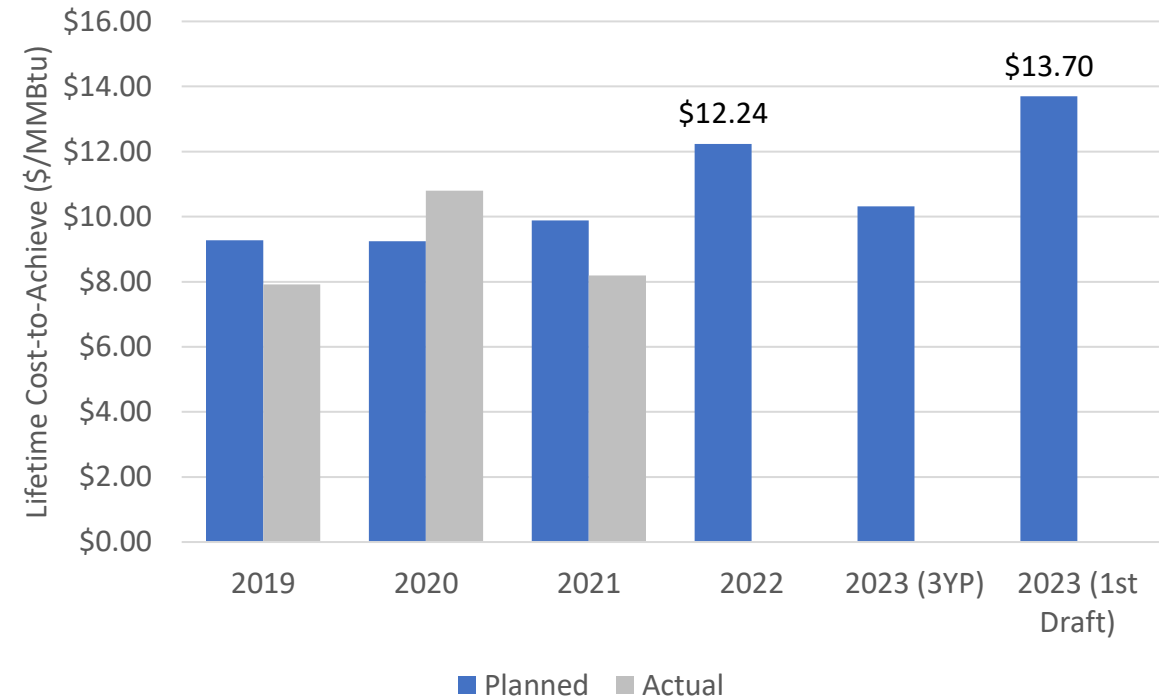


Residential Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Residential Total



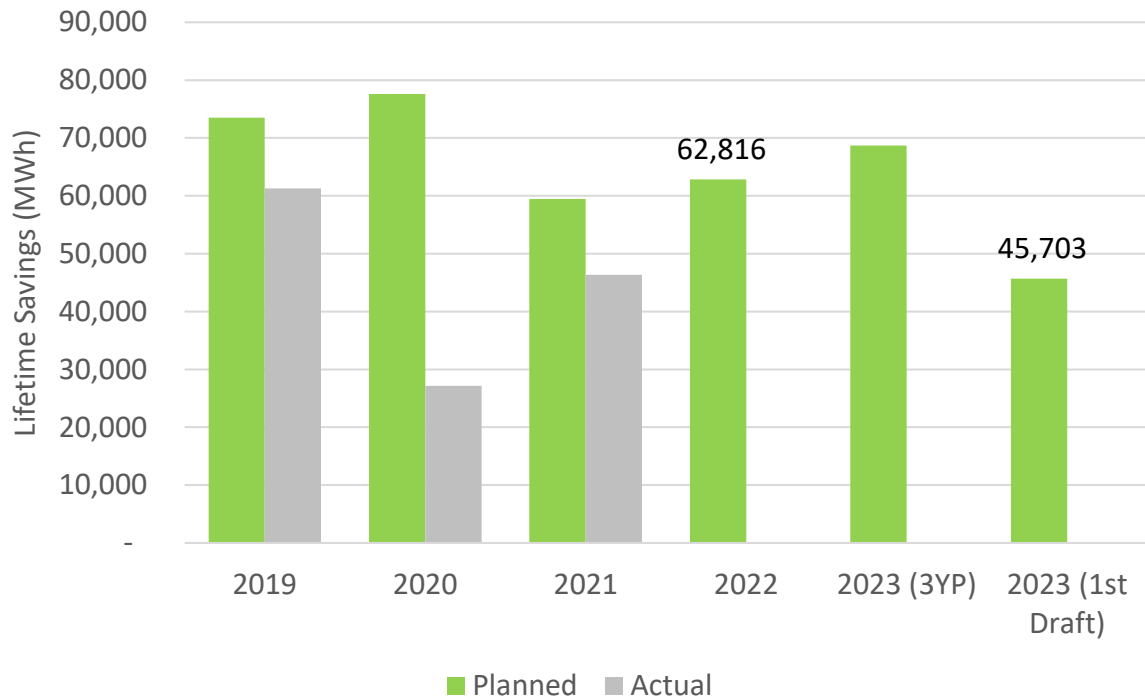
Gas Cost to Achieve (\$/Lifetime MMBtu) - Residential Total



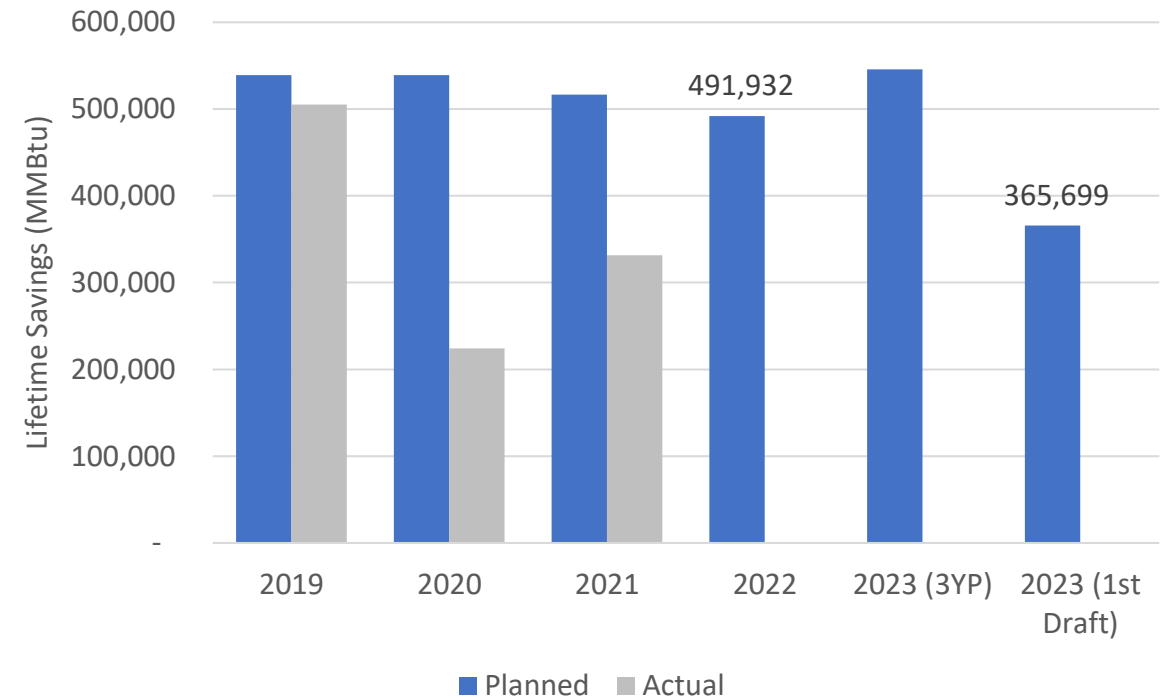


Income Eligible Lifetime Savings

Electric Lifetime Savings (MWh) - Income Eligible Total

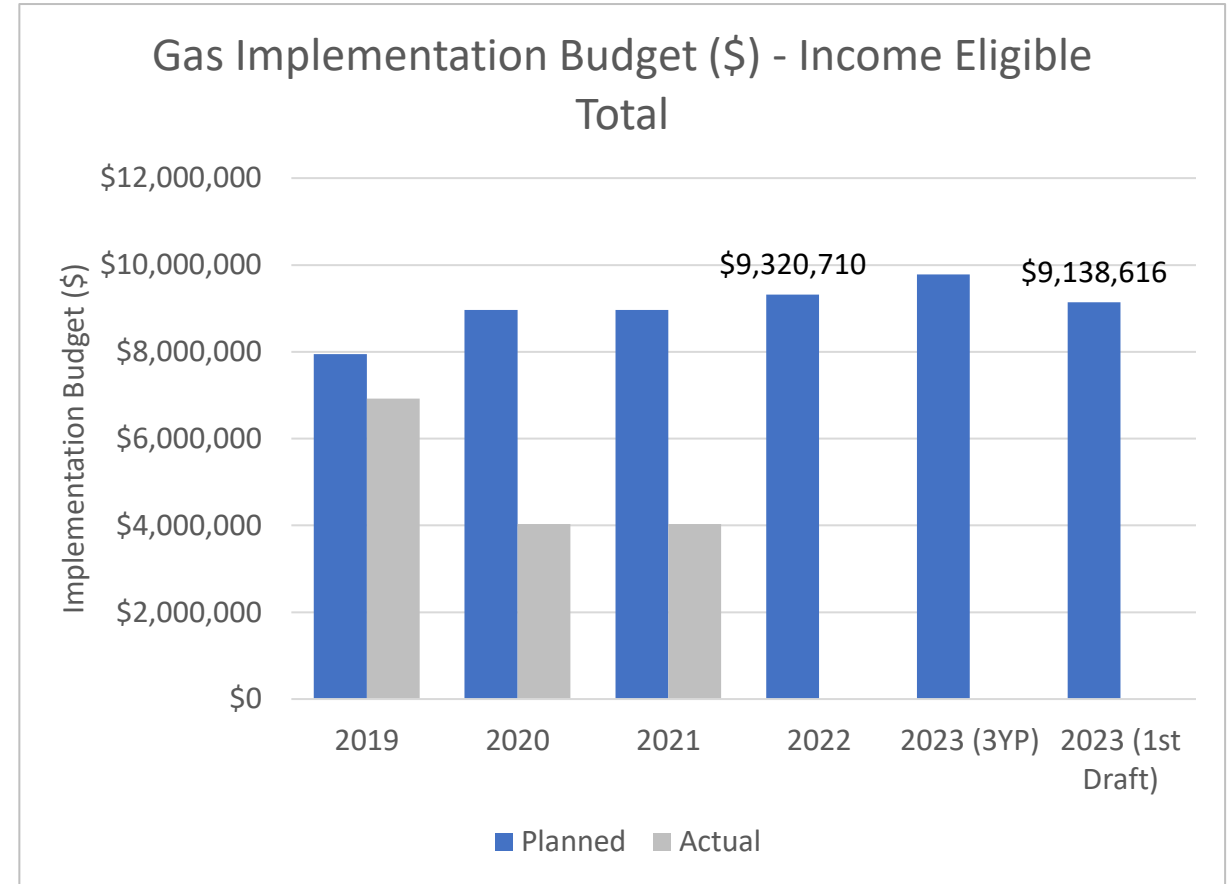
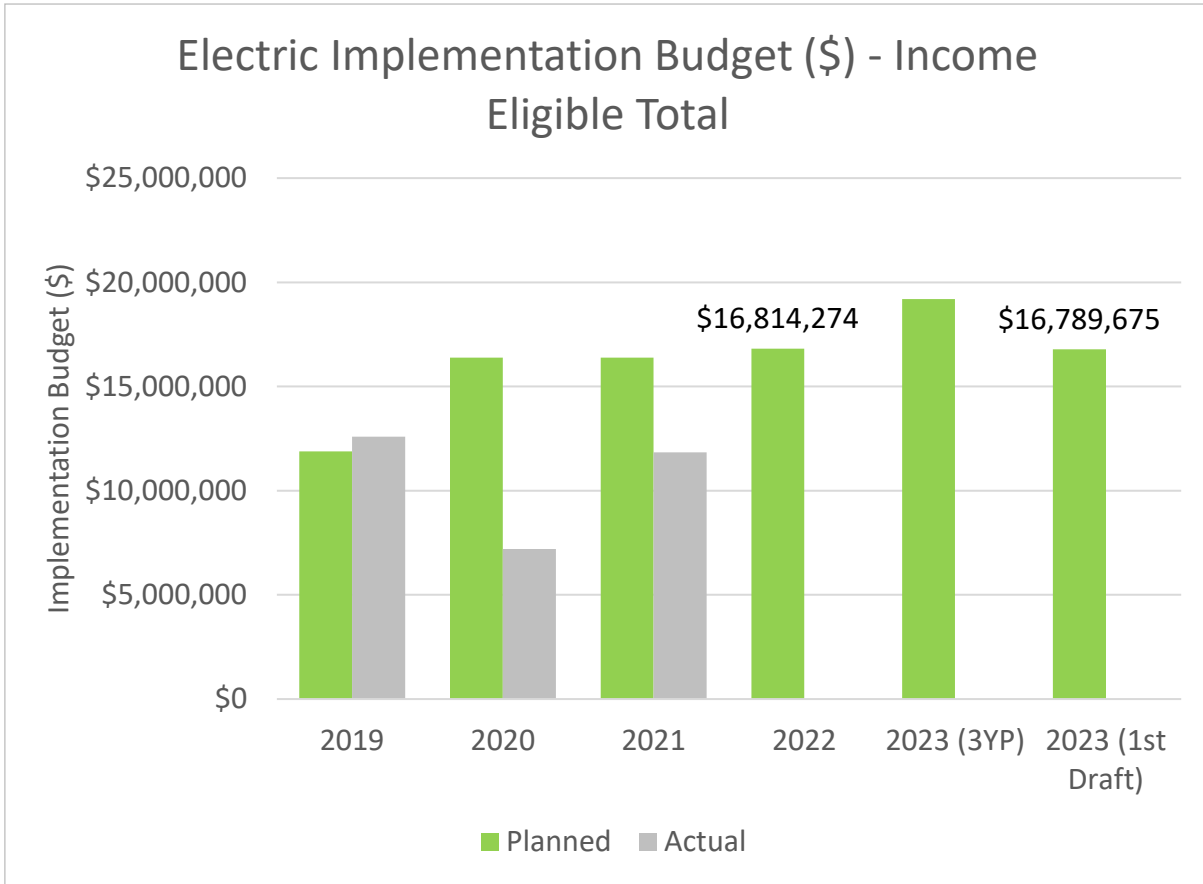


Gas Lifetime Savings (MMBtu) - Income Eligible Total





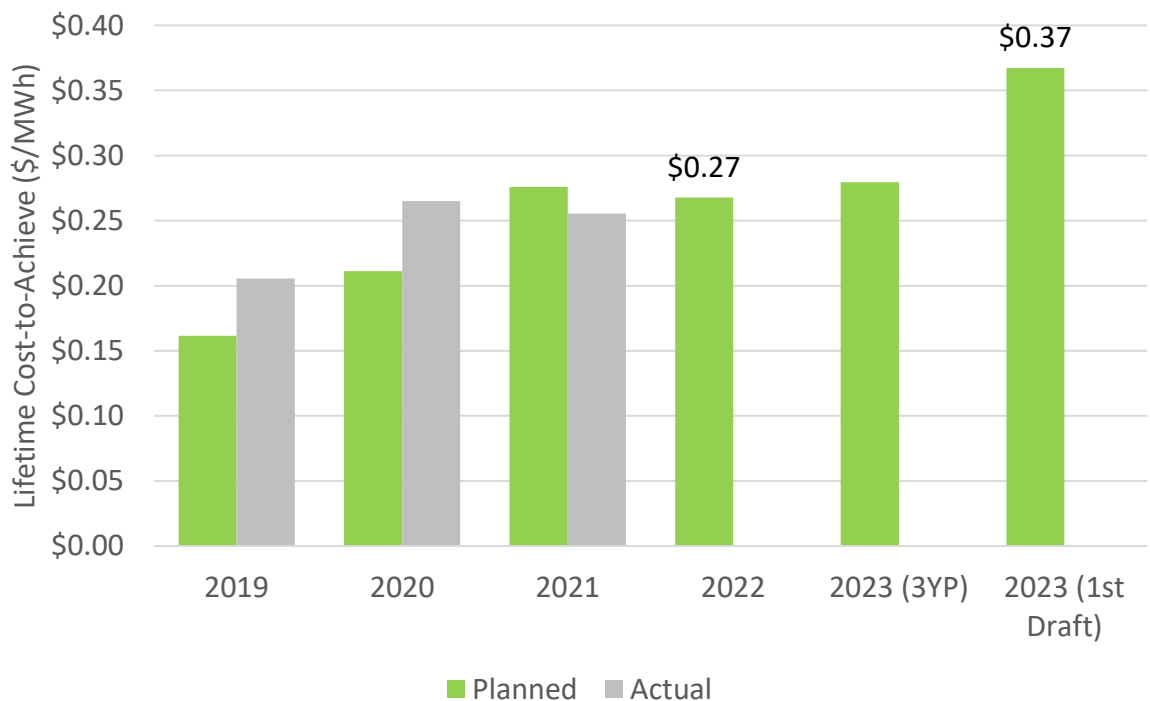
Income Eligible Implementation Budget



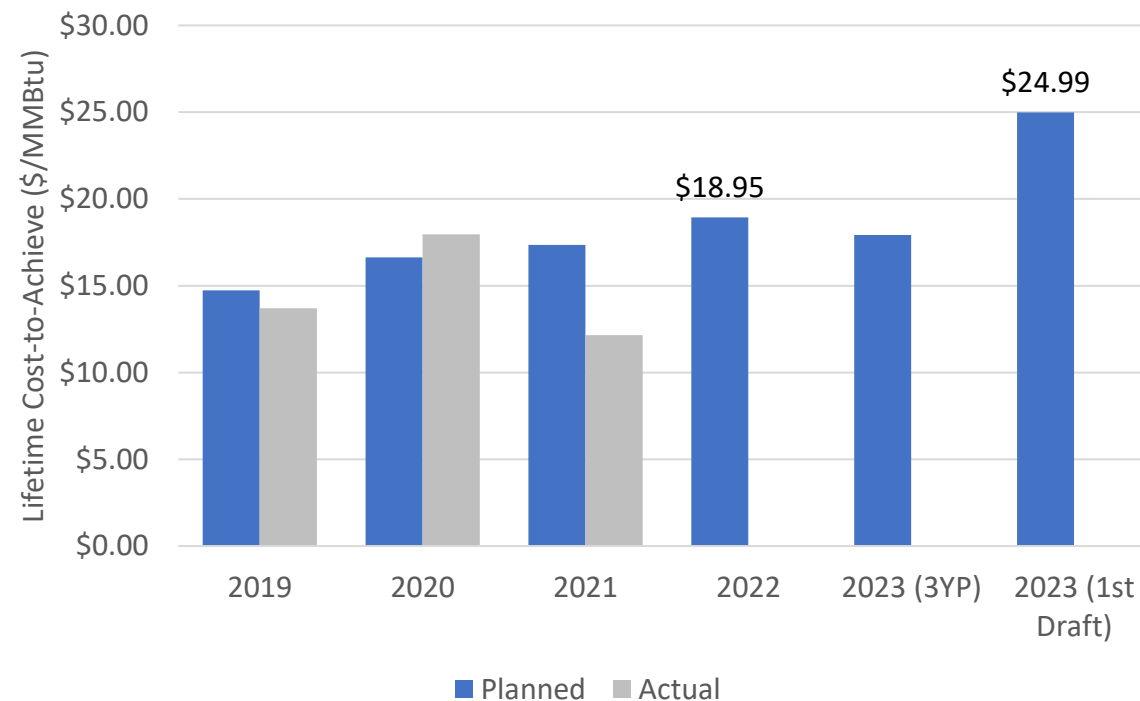


Income Eligible Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Income Eligible Total



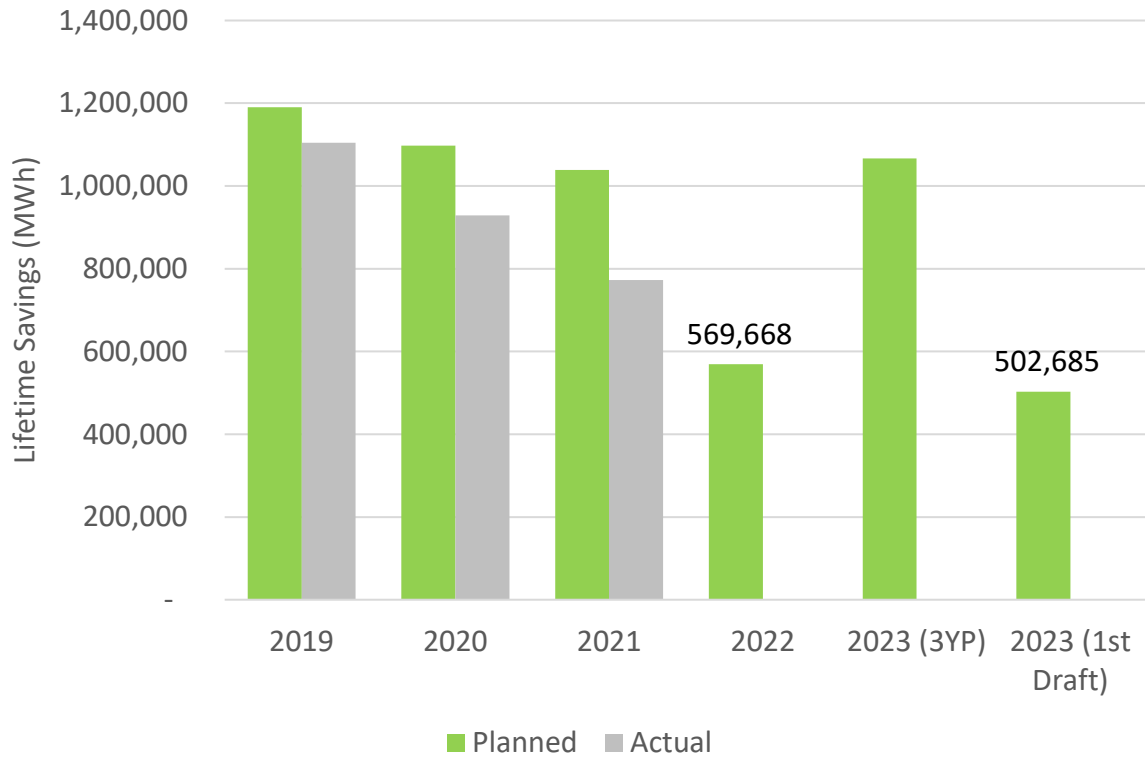
Gas Cost to Achieve (\$/Lifetime MMBtu) - Income Eligible Total



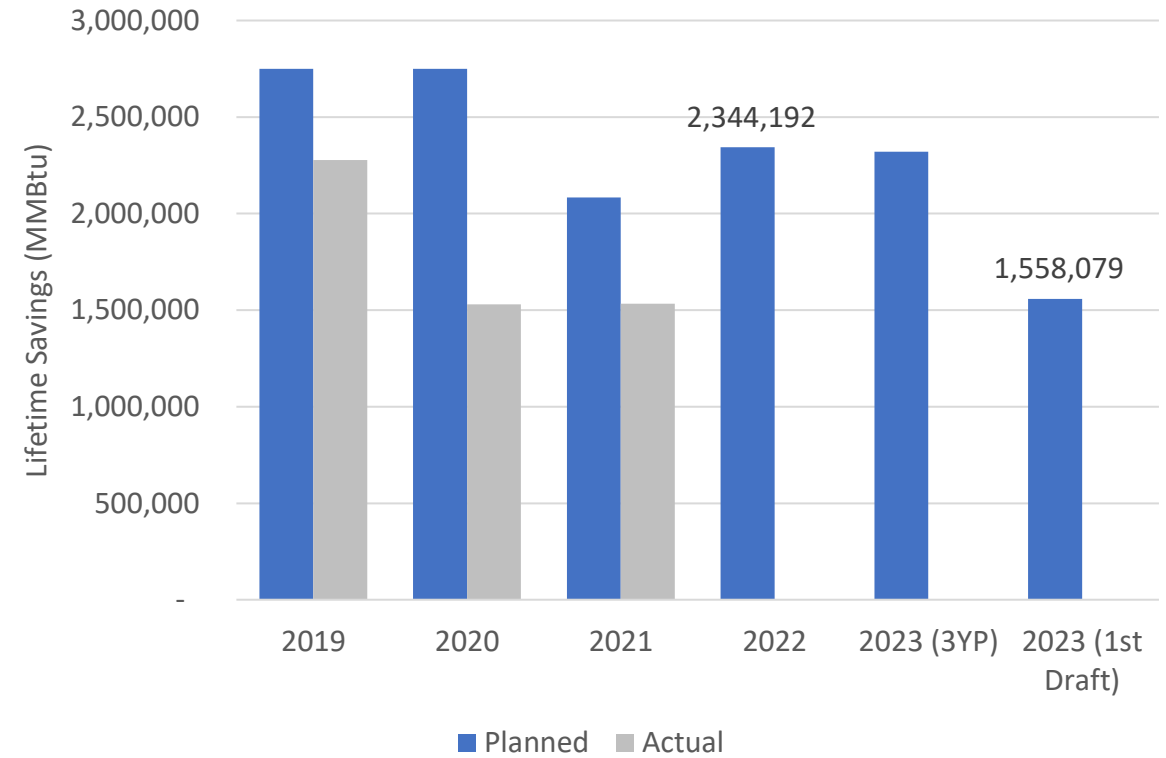


C&I Lifetime Savings

Electric Lifetime Savings (MWh) - C&I Total



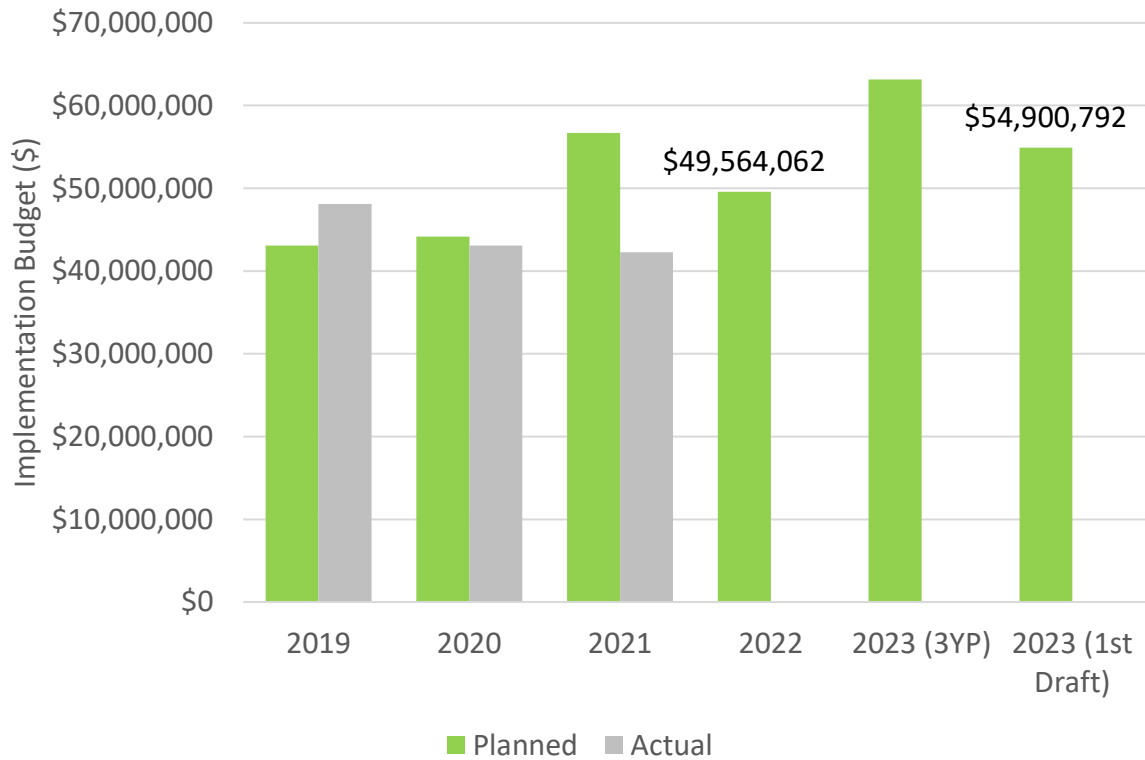
Gas Lifetime Savings (MMBtu) - C&I Total



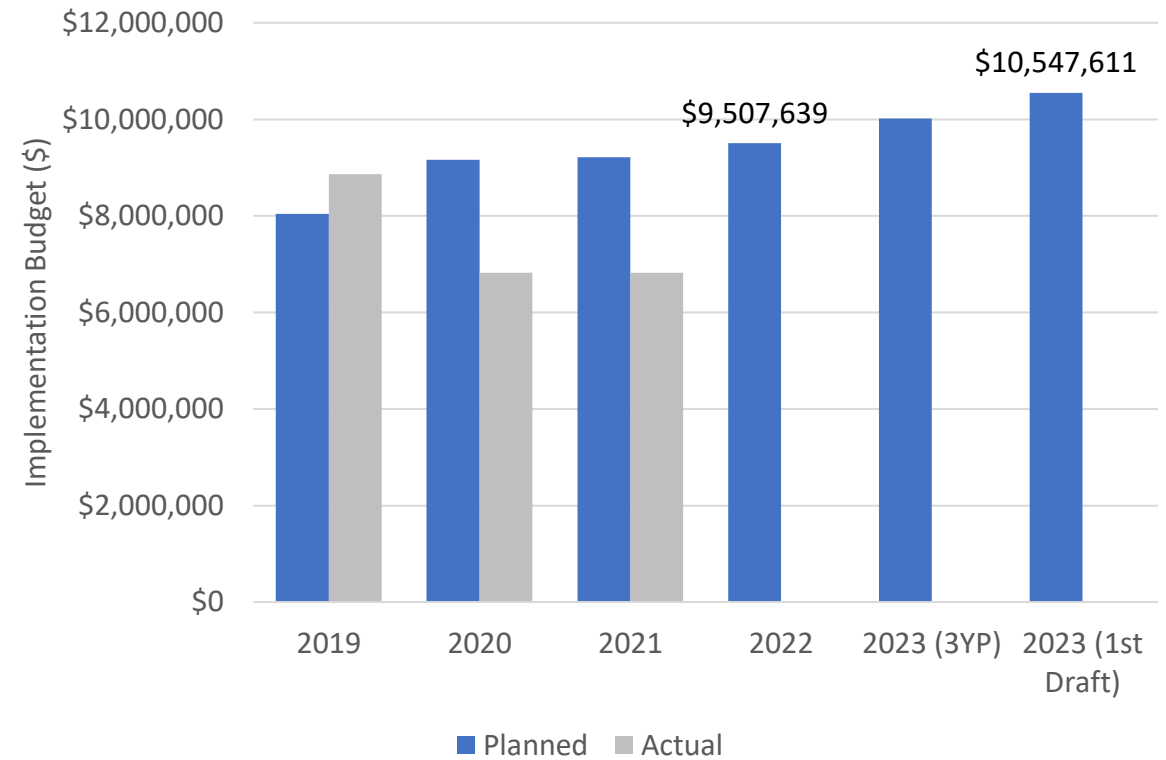


C&I Implementation Budget

Electric Implementation Budget (\$) - C&I Total

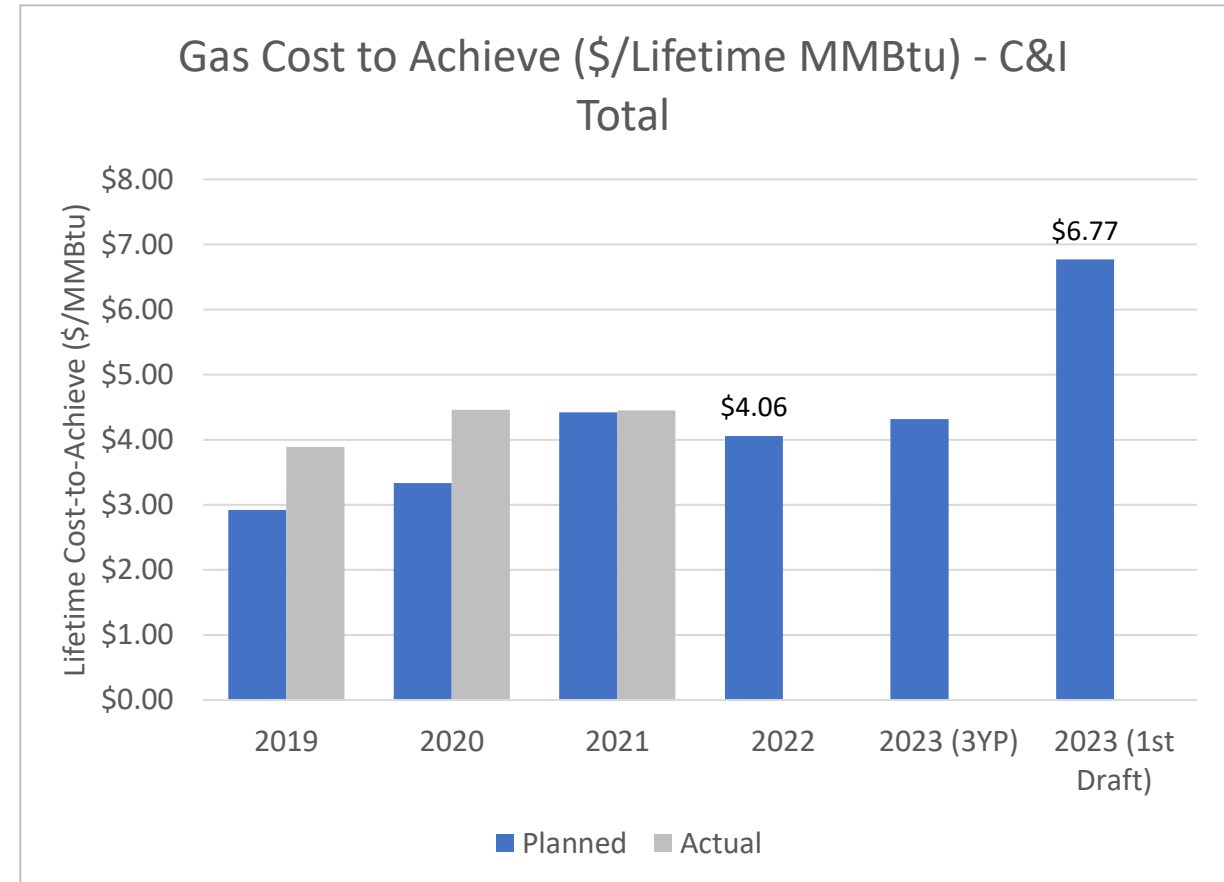
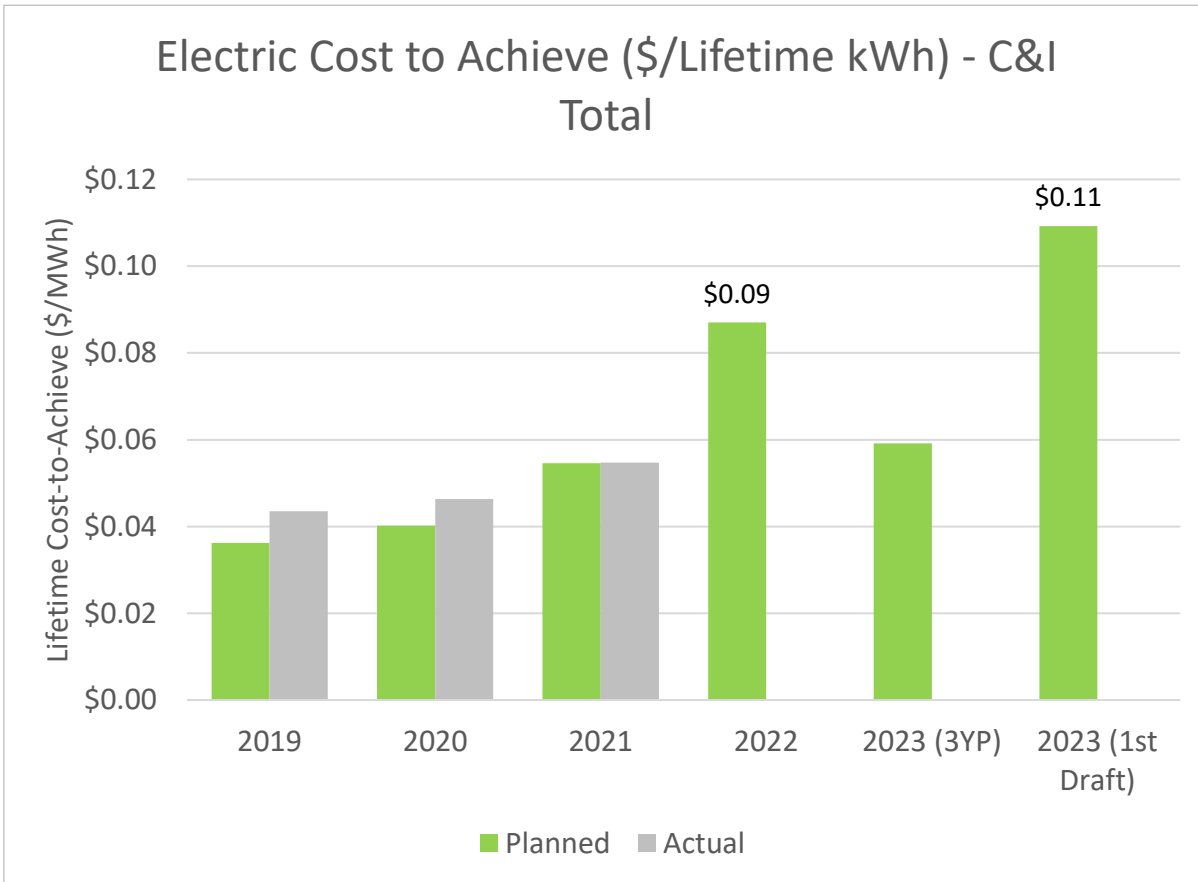


Gas Implementation Budget (\$) - C&I Total





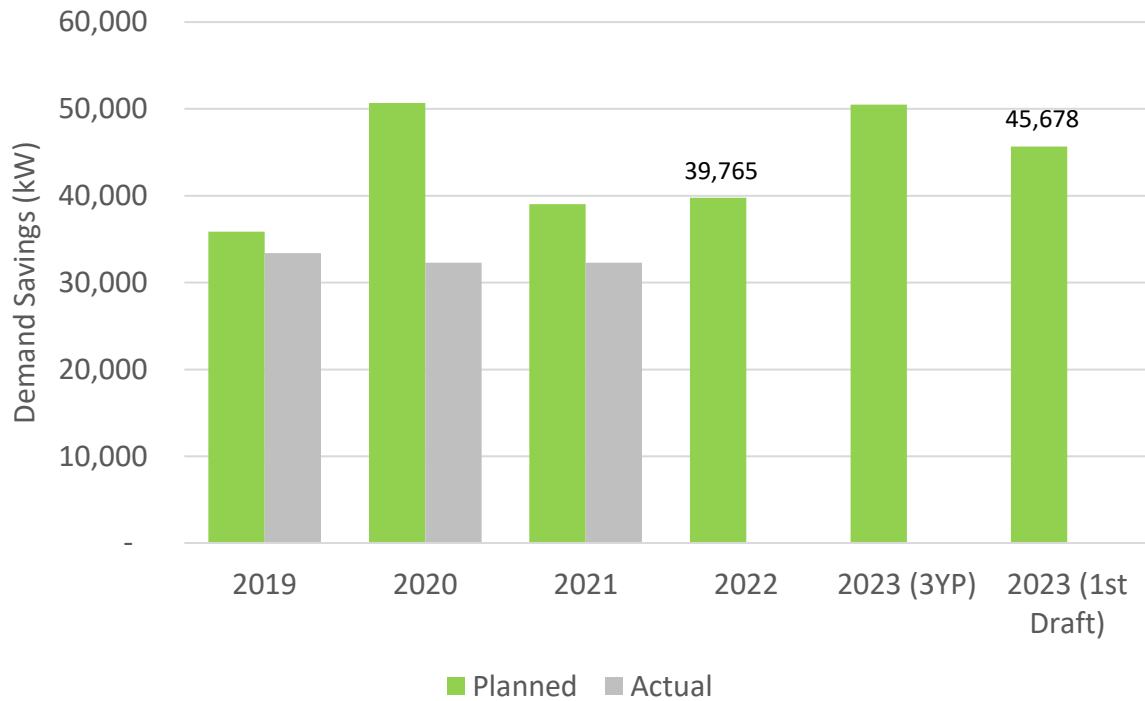
C&I Lifetime Cost-to-Achieve



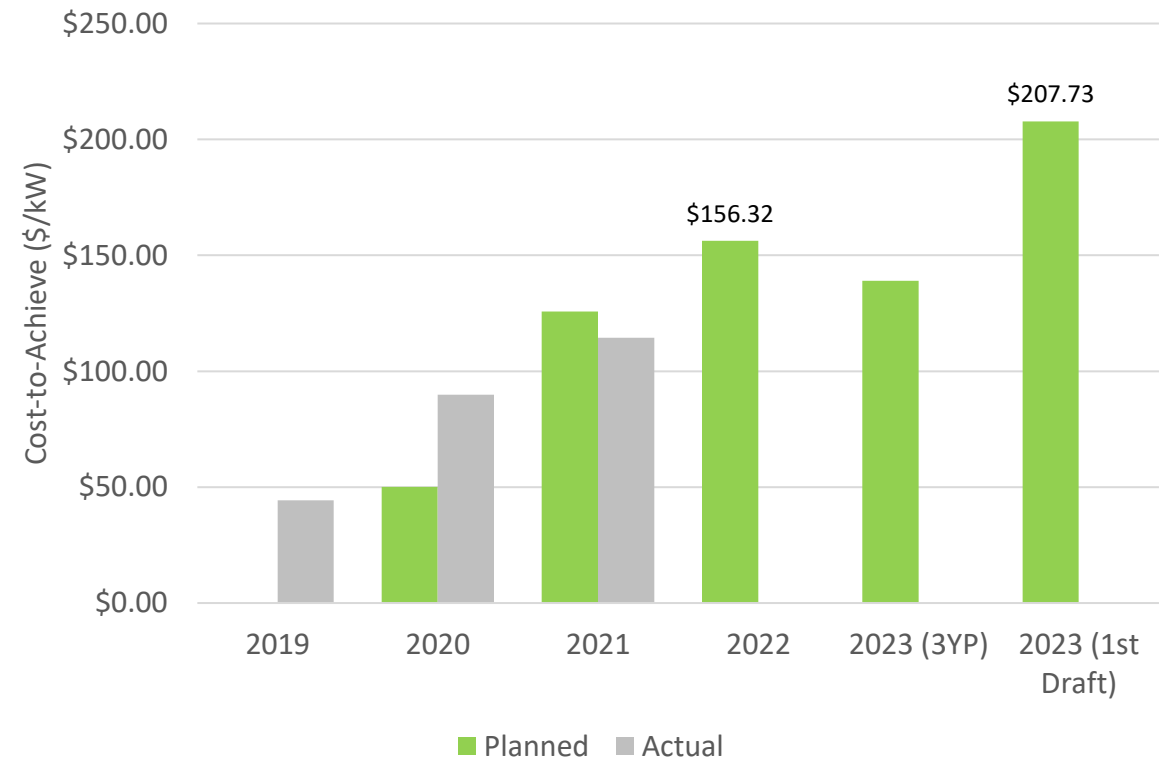


Active Demand – Electric Portfolio

Electric Demand Savings Savings (kW) - Portfolio Total



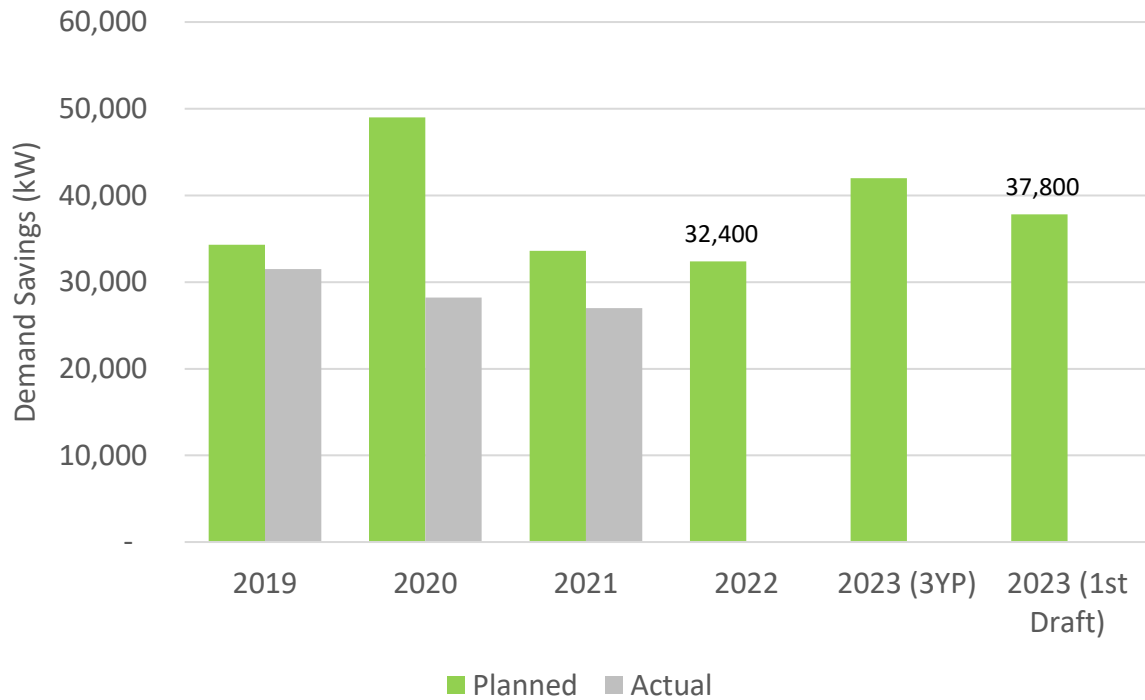
Electric Cost to Achieve (\$/kW) - Portfolio Total



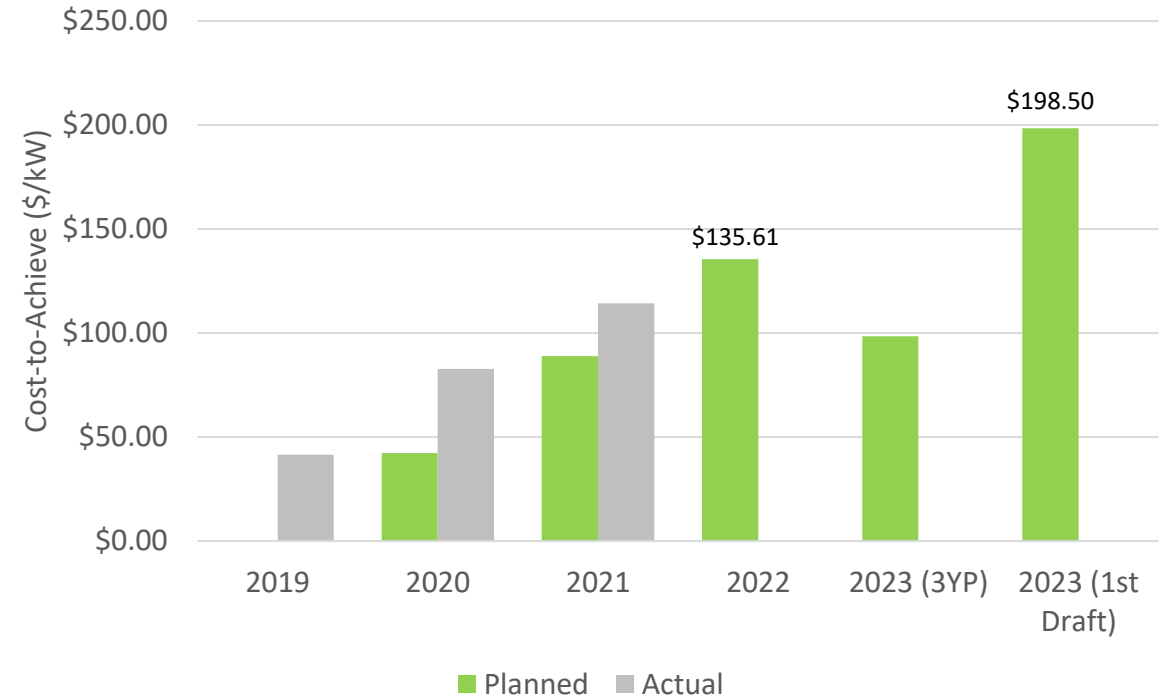


Active Demand – C&I Connected Solutions

Electric Demand Savings (kW) - Commercial Connected Solutions



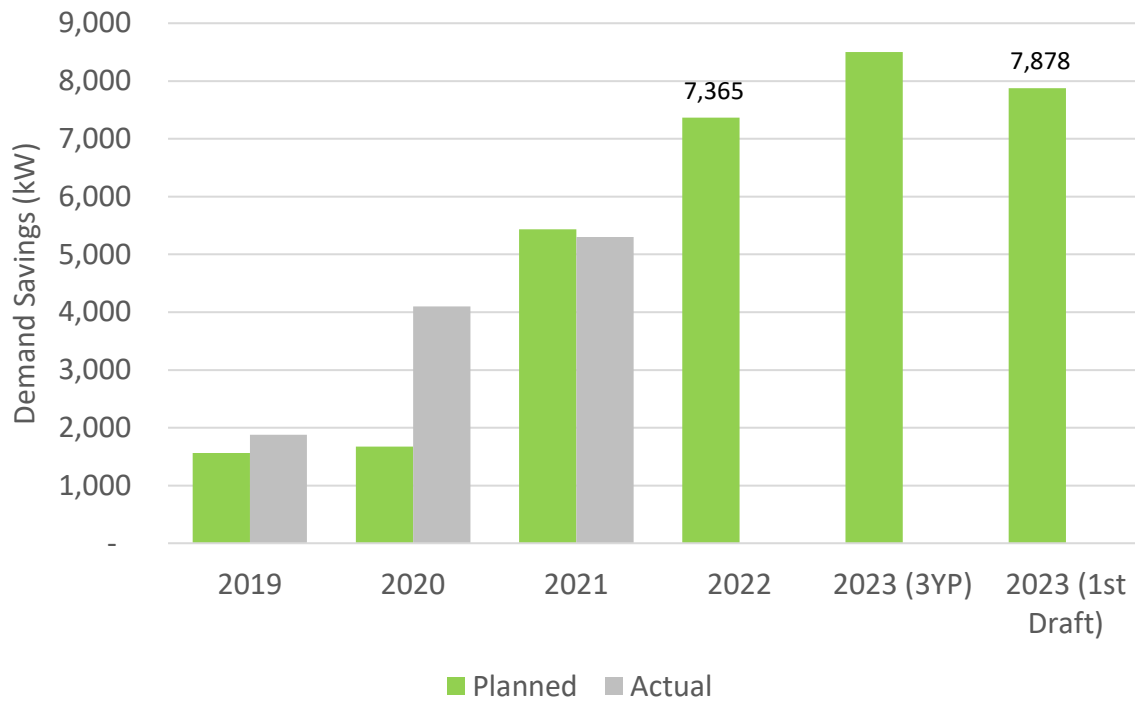
Electric Cost to Achieve (\$/kW) - Commercial Connected Solutions



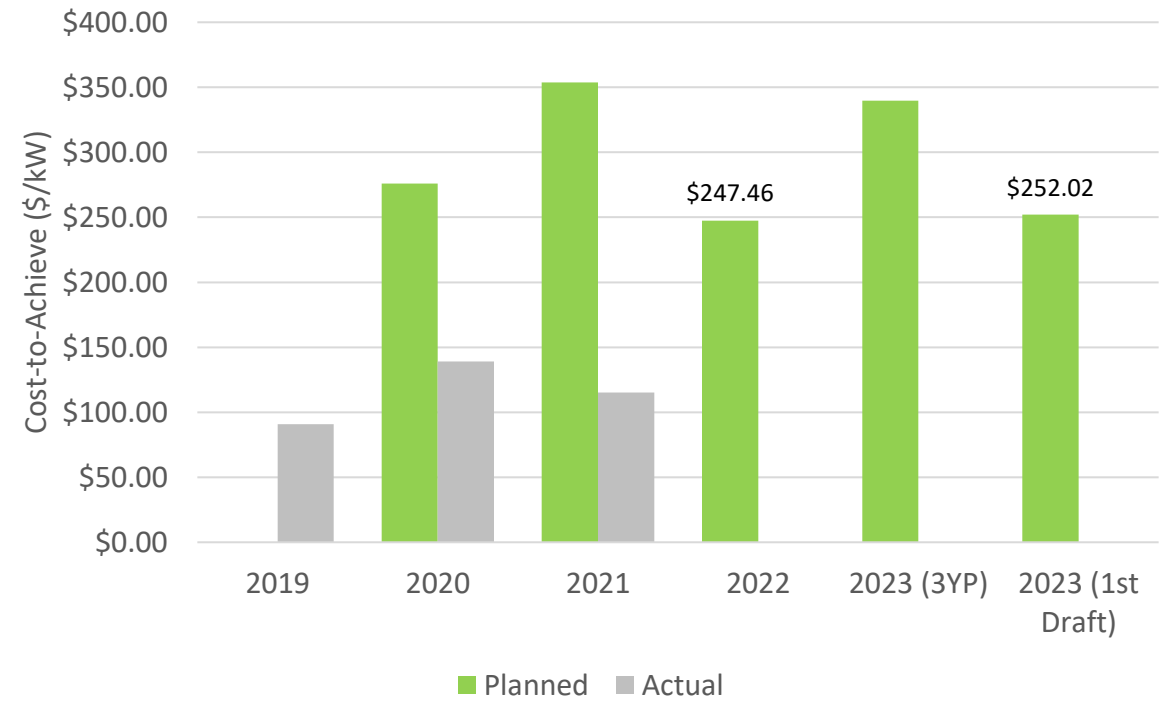


Active Demand – Res Connected Solutions

Electric Demand Savings Savings (kW) - Residential Connected Solutions



Electric Cost to Achieve (\$/kW) - Residential Connected Solutions

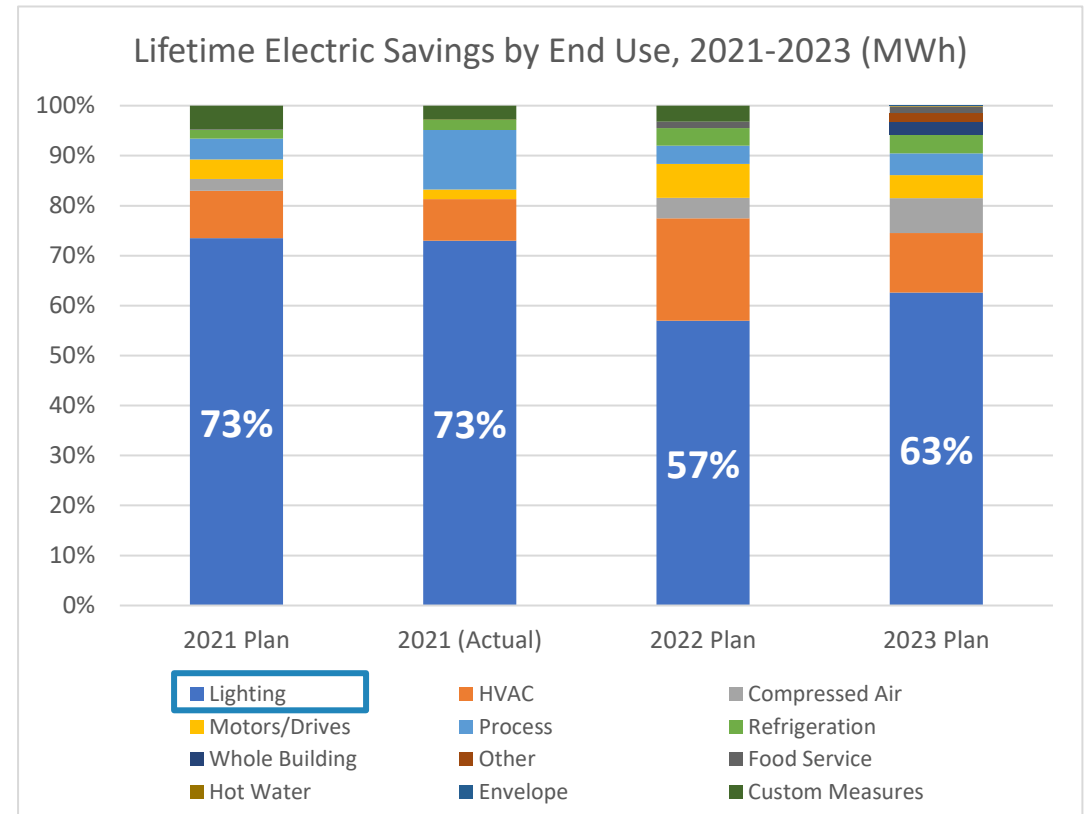




Commercial & Industrial - Electric

Key Takeaway Lack of diversification of savings from other end uses, despite 2023 Plan narrative. Three-Year Plan projected ~45% C&I lifetime MWh from lighting across 2021-2023.

Total C&I Lifetime Electric Savings (MWh)			
Year	Lighting	Non-Lighting	Total
2021 Plan	763,660	275,476	1,039,135
2021 (Actual)	556,472	212,501	762,592
2022 Plan	324,711	244,957	569,668
2023 Plan	314,656	188,029	502,630





Lifetime C&I Savings by End Use

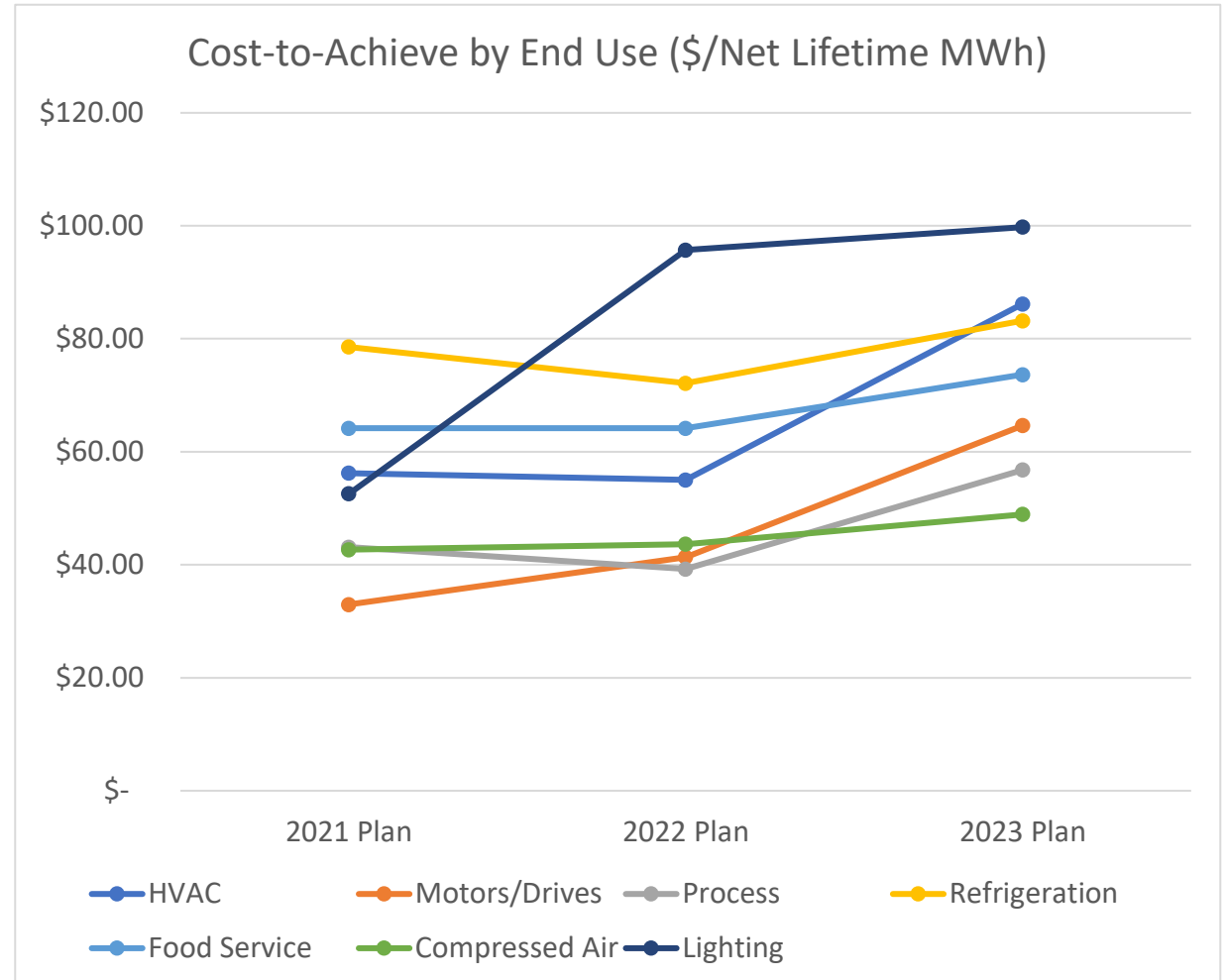
End Use	Lifetime Electric Savings (MWh)	
Lighting	314,656	62.6%
HVAC	60,094	12.0%
Compressed Air	34,835	6.9%
Motors/Drives	23,390	4.7%
Process	21,757	4.3%
Refrigeration	18,830	3.7%
Whole Building	12,940	2.6%
Other	8,926	1.8%
Food Service	5,978	1.2%
Hot Water	717	0.1%
Envelope	507	0.1%
Home Energy Services	56	0.0%
Grand Total	502,685	100%

End Use	Lifetime Gas Savings (MMBtu)	
HVAC	763,728	49.0%
Other	309,904	19.9%
Hot Water	177,787	11.4%
Food Service	104,630	6.7%
Motors/Drives	91,854	5.9%
Process	81,636	5.2%
Whole Building	21,881	1.4%
Envelope	6,660	0.4%
Behavior	-	0.0%
Grand Total	1,558,079	100%



Electric C&I Net Cost-to-Achieve

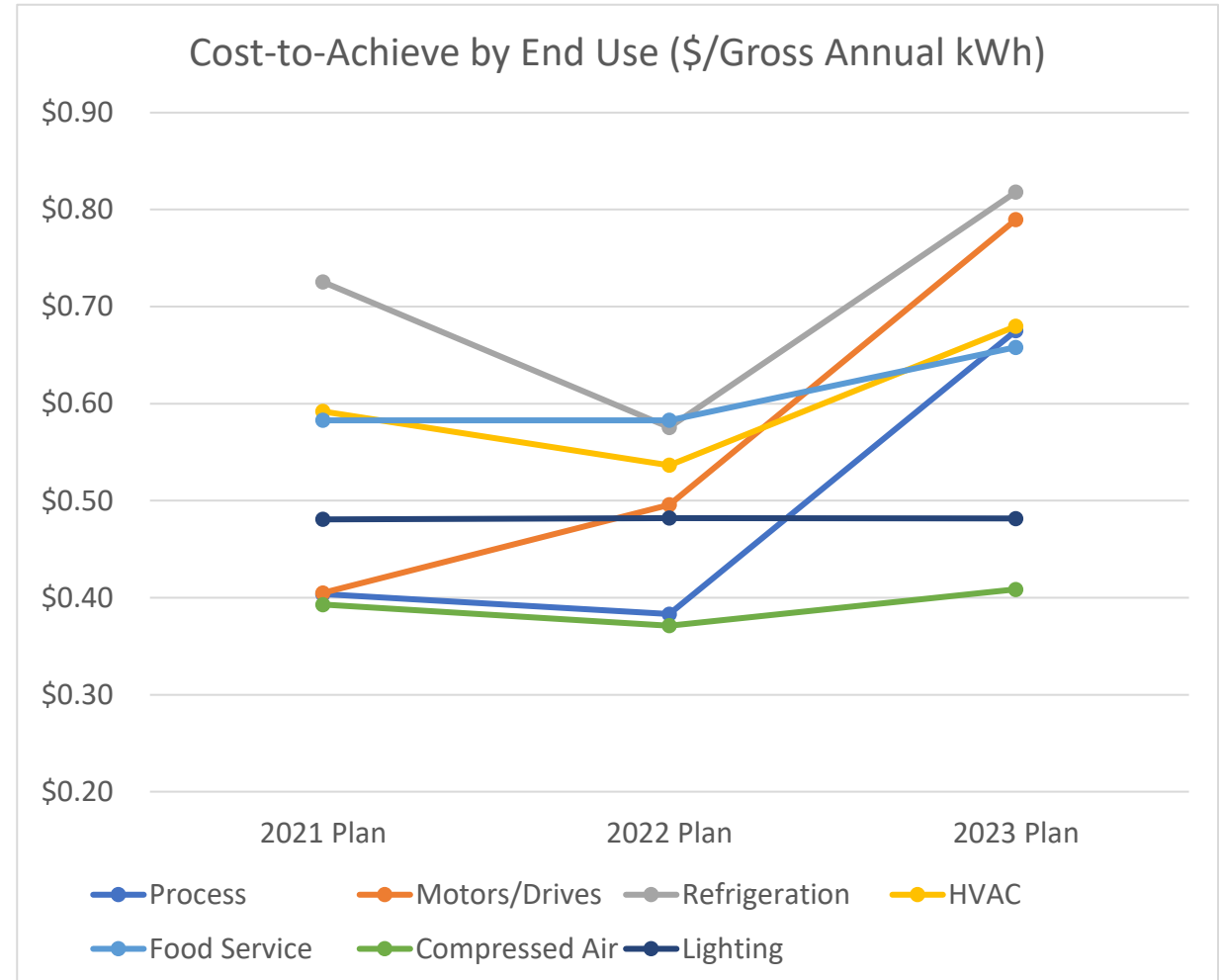
End Use	\$/Net Lifetime kWh	% Increase over 2022
HVAC	\$86.15	57%
Motors/Drives	\$64.64	56%
Process	\$56.79	45%
Refrigeration	\$83.18	15%
Food Service	\$73.63	15%
Compressed Air	\$48.93	12%
Lighting	\$99.78	4%





Electric C&I Gross Cost-to-Achieve

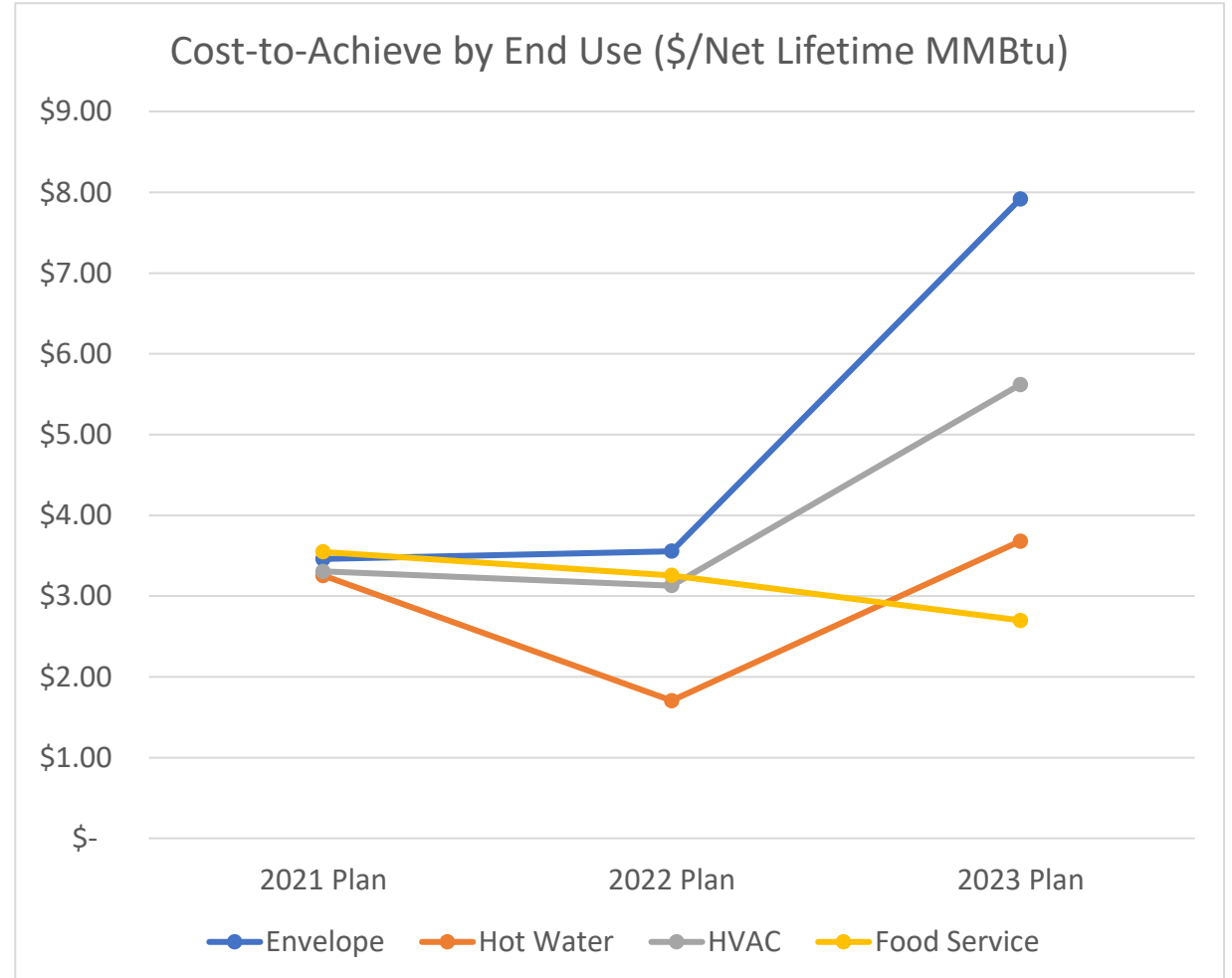
End Use	\$/Gross Annual kWh	% Increase over 2022
Process	\$0.68	76%
Motors/Drives	\$0.79	59%
Refrigeration	\$0.82	42%
HVAC	\$0.68	27%
Food Service	\$0.66	13%
Compressed Air	\$0.41	10%
Lighting	\$0.48	0%





Gas C&I Net Cost-to-Achieve

End Use	\$/Net Lifetime MMBtu	% Increase over 2022
Envelope	\$3.56	123%
Hot Water	\$1.71	116%
HVAC	\$3.13	79%
Food Service	\$3.26	-17%





Gas C&I Gross Cost-to-Achieve

End Use	\$/Net Lifetime MMBtu	% Increase over 2022
Envelope	\$11.44	206%
Hot Water	\$41.40	174%
HVAC	\$39.40	72%
Food Service	\$22.52	-18%

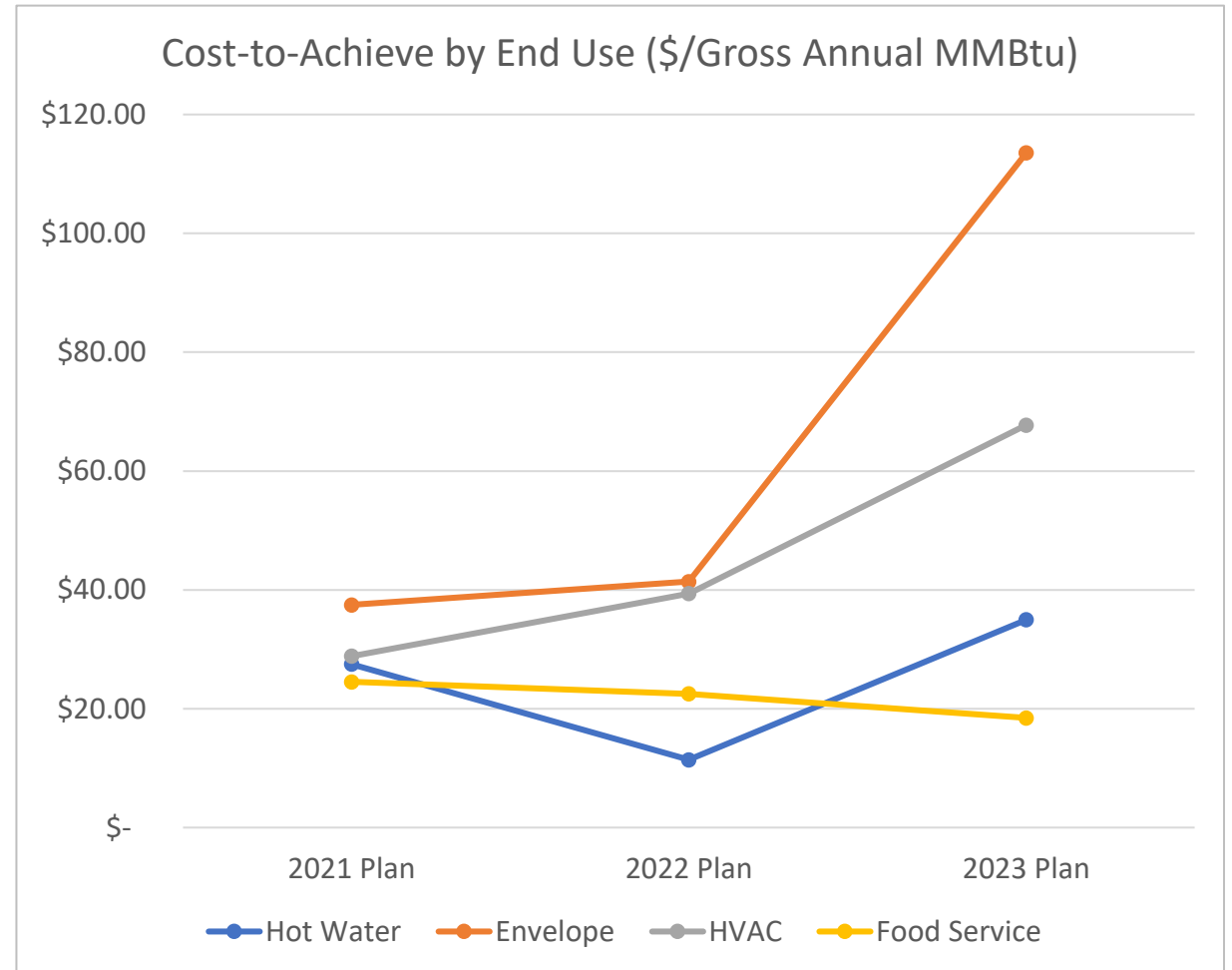


Exhibit 10



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, August 18, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom.

Members in Attendance: Peter Gill Case, Sue AnderBois, Brett Feldman, Tom Magliocchetti, Harry Oakley, Kate Grant, Tom Garlick, Bob Izzo, Kurt Teichert, Chris Kearns

Others in Attendance: Steven Chybowski, Adrian Caesar, Craig Johnson, Marisa Desautel, Nelson DiBiase, Sarah Barraco, Michael O'Brien Crayne, Josh Kessler, Angela Li, Sam Ross, Hank Webster, Kathryn Cleary, Mary Spruill, Karen Bradbury, Rachel Pinnons, Karen Verrengia, Jeremy Newberger

All meeting materials can be accessed at <https://rieermc.ri.gov/meeting/2773/>.

1. Call to Order

Chairperson Oakley called the meeting to order at 3:03 p.m.

2. Chair Report

Chairperson Oakley provided an overview of the meeting agenda, listed materials available online that will not be discussed at today's meeting, and provided instructions for making public comments. He also noted the correct dates for the September Council meetings which will be September 22nd and 29th.

3. Executive Director Report

Interim Commissioner Kearns updated the Council on a new Regional Greenhouse Gas Initiative (RGGI) allocation proposal that is available for public comment, noted that the Office of Energy Resources' high-efficiency heat pump program proposal is still available for public comments, and asked Council Members to start thinking about candidates for the remaining Council seat vacancies.

4. Meeting Minutes - [July 28, 2022](#)

Council Member Teichert motioned to approve the July meeting minutes. Council Member AnderBois seconded. All in favor, none opposed.

5. Program Oversight (60 Minutes, 3:10 - 4:10 p.m.)

- a. [Presentation of 2022 Q2 Energy Efficiency Programming](#) (15 minutes, 3:10 - 3:25 p.m.)

Mr. Caesar and Mr. Johnson of the Council's Consultant Team presented on the 2022 energy efficiency programming for the second quarter of the year. Ms. Li of Rhode Island Energy presented on equity updates and metrics that have been tracked to date in 2022. Mr. Johnson and Mr. Ross of the Consultant Team provided their takeaways on the equity commitments from the Company.

b. [Rhode Island Energy Presentation on Updates to the 2023 Energy Efficiency Program Plan](#) (15 minutes, 3:25 – 3:40 p.m.)

Council Member Feldman presented on updates to the 2023 Energy Efficiency Program Plan and responses to feedback on the initial plan draft. The presentation focused on five major themes based on the comments received on the initial plan draft. Vice Chair Gill Case noted that the non-incentive costs were particularly high and that he requests that Rhode Island Energy further study these costs.

c. [Consultant Team Presentation on Updates to the 2023 Energy Efficiency Program Plan](#) (15 minutes, 3:40 – 3:55 p.m.)

Mr. Ross of the Council's Consultant Team presented on their takeaways on the progress and updates to the 2023 Energy Efficiency Program Plan. Mr. Ross expressed his appreciation for the Company's collaboration on the plan development process and noted areas for additional review and development. Mr. Caesar presented on commercial and industrial sector programming and Mr. Johnson presented on residential sector programming.

d. *Council Discussion on Program Oversight* (15 minutes, 3:55 – 4:10 p.m.)

Council Members discussed clarifying questions of the program oversight presentations, shared their thoughts on the Company's cost assumptions and projections, and what they would like to see for equity metric tracking. Council Members noted the increased planning and administrative costs for 2023, partly due to a reliance on outside consultants, and the need for increased staff within the Company for energy efficiency programming to reduce administrative costs.

6. Council Business (45 minutes, 4:10 – 4:55 p.m.)

a. [Discussion and Vote on 2022 K-12 Energy Curriculum RFP Proposals](#) (10 minutes, 4:10 – 4:20 p.m.)

The Technical Review Committee, comprised of Vice Chair Gill Case, Council Member Garlick, and Council Member Izzo shared the results of their scoring for the K-12 energy curriculum services and the Committee's recommendation to select the Green Buildings Research Institute for the Council's K-12 energy curriculum training services. Council Member Teichert motioned to approve the Technical Review Committee's recommendation to select GBRI to conduct the K-12 curriculum training work, as described in the proposal plan and to direct OER to work with legal counsel to draft a contract for the described services. Council Member AnderBois seconded. All in favor, none opposed.

b. [Discussion and Vote on 2022 Public Forum and Lecture Series RFP Proposals](#) (10 minutes, 4:20 – 4:30 p.m.)

The Technical Review Committee, comprised of Vice Chair Gill Case, Council Member Garlick, and Council Member Izzo shared the results of their scoring for the 2022 Public Forum and Lecture Series services and the Committee's recommendation to select the University of Rhode Island's (URI) Extension Services

for the Council's public forum and lecture series services. Council Member Teichert motioned that the contract be awarded according to the Technical Review Committee's recommendation for URI to conduct the public forum and lecture series work as described in the submitted proposal and to direct OER to work with legal counsel to draft the contract for the described services, and to allocate an additional \$2,524.14 of unallocated Public Education funds to the series budget. Council Member AnderBois seconded. All in favor, none opposed.

c. *Discussion and Vote on Council Branding and Communications Development (10 minutes, 4:30 – 4:40 p.m.)*

The Council discussed the process for moving forward with the Council Branding and Communications Development request for proposals (RFP). Council Member Teichert motioned that from the unallocated funds from 2022, the Council proceeds with a branding and communications initiative and directs OER to draft an RFP for branding and communication services based on the guidelines outlined by the EERMC and the Council's Consultant Team's 2023 budget proposal memo. Council Member AnderBois seconded. All in favor, none opposed.

d. *Presentation on the Open Meetings Act (15 minutes, 4:40 – 4:55 p.m.)*

Chair Oakley held this agenda item for a future Council meeting due to time constraints.

7. Public Comment

None.

8. Adjournment

Council Member AnderBois motioned to adjourn the meeting. Vice Chair Gill Case seconded. Chair Oakley adjourned the meeting at 5:01 p.m.

Exhibit 11



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

Consultant Team Continued Review First Draft of the 2023 Annual Plan

Presented By: EERMC Consultant Team

Date: August 18, 2022



Outline

Overview

Commercial & Industrial Review

Residential & Income Eligible Review

Portfolio Review

Council Discussion



OVERVIEW





Updates since July EERMC Meeting

Continued collaborative meetings with Rhode Island Energy

Acknowledgement of concerns with large TRC increases, intent to revise

- C-Team awaiting updated numbers to undertake second-pass review

Confirmation of C-Team-developed mapping of new measure list to support more detailed measure-level trend analysis & QA review

- C-Team submitted 70+ quantitative review questions leveraging mapping



Equity Framework For Assessing Impact Recommendations, Commitments, Metrics

Recommendations have historically been developed by the Equity Working Group and used by the Company as one input for the equity elements of their Annual Plan

Equity Working Group not responsible for Plan content, just EWG outcomes

Commitments are specific, incremental actions committed to by RI Energy

They should support overarching equity goals, such as EWG recommendations adopted by RI Energy in annual plans

Metrics are ways of measuring outcomes. Should be established for each recommendation and commitment

Metrics should be quantifiable, time-bound, and supported by reporting data and other relevant information

C-Team strongly encourages quarterly equity updates for 2023 to enable consideration of progress in 1st draft EE Plan

Determinations of Success (e.g., targets) should be established for each recommendation and commitment

They can be defined as specific levels of attainment for relevant metrics that, if achieved, constitute success



Q2 Update and 2023 Annual Plan Processes and Improvements

C-Team Review Framework: Three Separate Equity Processes

- **Equity Working Group Recommendations** are an important source of stakeholder input from communities not historically engaged in EE forums
- **2022 Equity Progress Update** is a Company responsibility related to Company commitments made in 2022 Annual Plan, falls squarely within Council implementation oversight responsibilities
- **2023 Annual Plan equity content** is also a Company responsibility. Can be in support of EWG recommendations or other equity goals, and can build on 2022 Plan, but represents separate deliverable and responsibility from either of the other processes

C-Team Expected Improvements for 2023 Annual Plan

- Company commitments need to clearly support all EWG recommendations that are adopted
- Recommendations & commitments should have quantifiable metrics for determining success, with stated targets using those metrics for what constitutes success
- Opportunity to review 2023 Company equity content prior to finalization



2022 Year-End Fund Balance Update

Key Takeaway

- Large forecasted 2022 year-end fund balance still under active discussion
- Primary question regarding manner to account for 2021 year-end fund balance

Possible implications for 2022 program activity levels largely resolved due to separate estimate for year-end spending shared by Rhode Island Energy team

Continue to seek clarity regarding 2021 year-end fund balance in 2022 fund balance forecast in part due to implications for rate and bill impact models



COMMERCIAL AND INDUSTRIAL SECTOR REVIEW





C&I – Plan Updates

Data-related questions have been communicated to The Company for further investigation

High measure cost assumptions for 2023 relative to 2022 levels

- Ongoing analysis, cross-jurisdictional comparisons, and discussions with Company staff

Evaluation, Measurement, and Verification (EM&V) updates to be incorporated into next Plan Draft

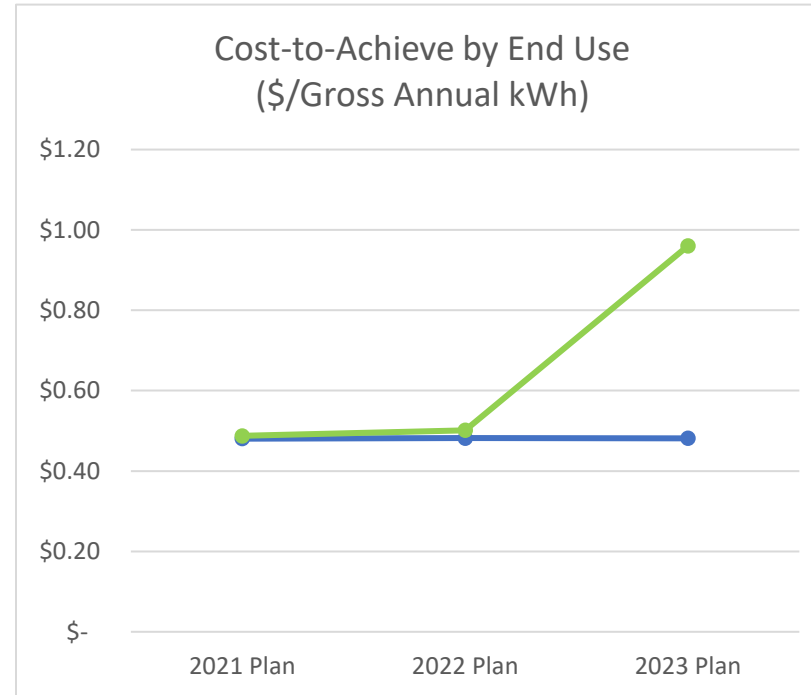


C&I – Cost Trend Analysis

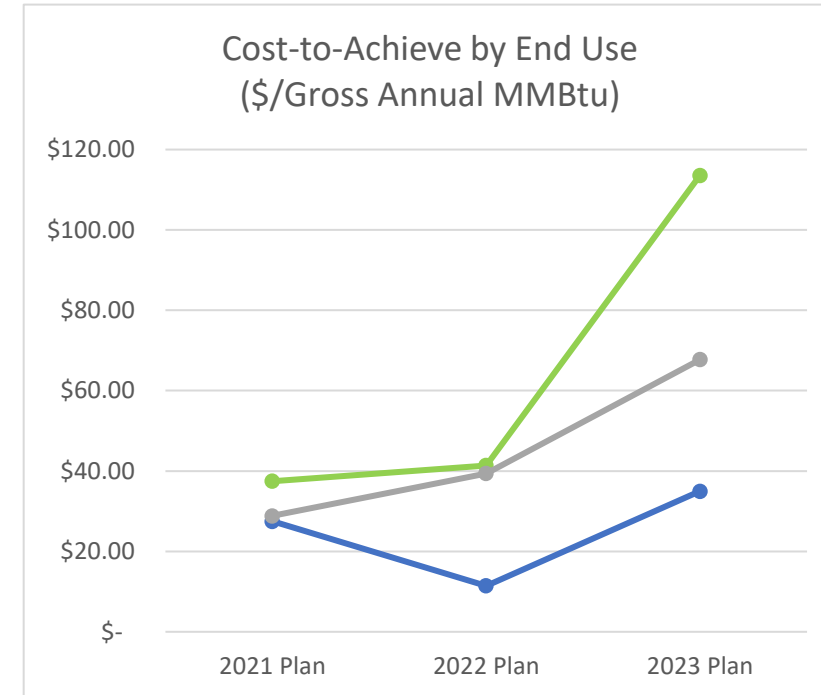
Key Takeaway Questions submitted and ongoing analysis regarding 2023 cost assumptions. The Company has indicated intent to revise cost assumptions in subsequent Plan draft.

End Use	2023 \$/Gross Annual kWh	% Change from 2022
Lighting	\$0.48	-0.1%
Non-Lighting	\$0.96	92%

End Use	2023 \$/Gross Annual MMBtu	% Change from 2022
Envelope	\$113.53	206%
Hot Water	\$34.99	174%
HVAC	\$67.72	72%



Lighting —
Non-Lighting —

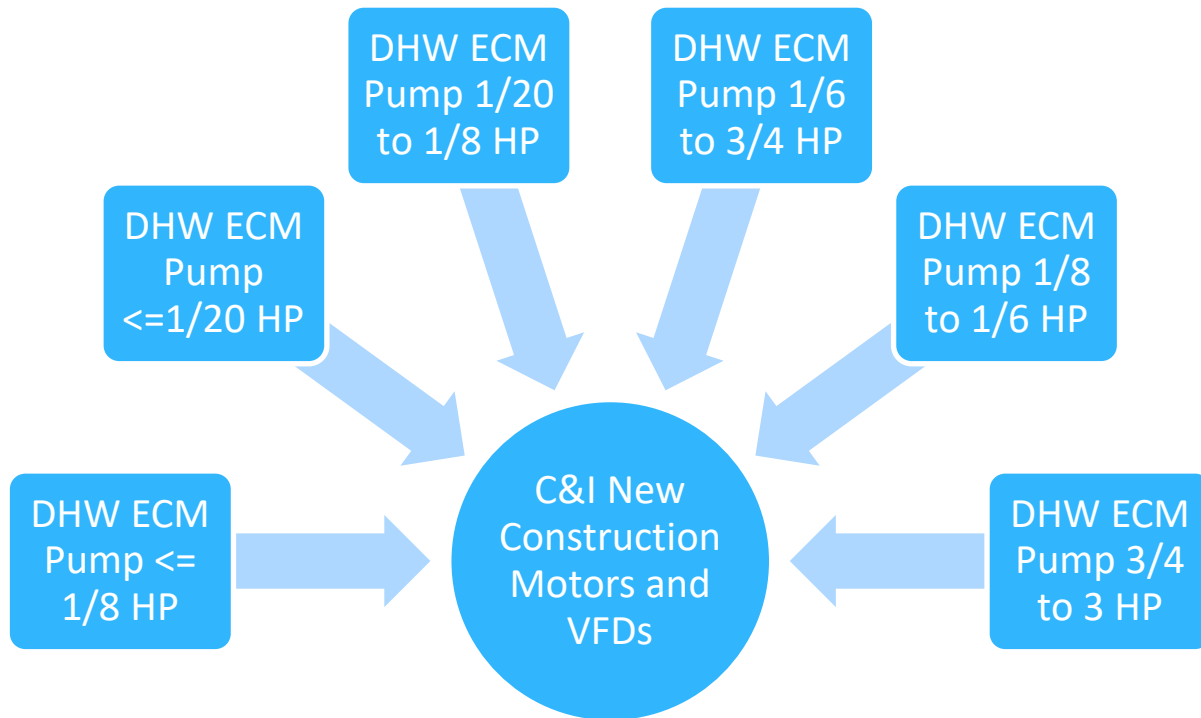


Envelope —
Hot Water —
HVAC —



C&I – Cost Trend Analysis Example

Mapping between 2022 and 2023 BCR Models to support continued analysis and year-over-year comparisons



2023 Measure	% Change from 2022 Total Resource Cost
DHW ECM Pump $\leq 1/8$ HP	78%
DHW ECM Pump $\leq 1/20$ HP	93%
DHW ECM Pump 1/20 to 1/8 HP	93%
DHW ECM Pump 1/6 to 3/4 HP	93%
DHW ECM Pump 1/8 to 1/6 HP	93%
DHW ECM Pump 3/4 to 3 HP	93%



C&I – Cross-Jurisdictional Cost Comparison

Mapping to National Grid MA 2022-2024 Plan BCR Models to benchmark RI cost assumptions. Gas measure costs significantly higher in RI – top ~50% savings Retrofit measures shown

RI Measure	MA Measure	Percent of Total RI C&I Lifetime Gas Savings	RI TRC Cost per Gross Annual MMBtu	MA TRC Cost per Gross Annual MMBtu	Percent Difference (RI Compared to MA)	Multiple (RI Compared to MA)
Wi-Fi Thermostats	Wi-Fi Thermostat, Gas	9.8%	\$102.53	\$28.67	258%	3.6x
Heat Recovery - All, Year Round, and Seasonal	Heat Recovery, Gas - Custom	9.4%	\$100.16	\$40.00	150%	2.5x
HVAC Equipment	Heating, Gas - Custom	7.5%	\$100.16	\$41.00	144%	2.4x
CUSTOM - OTHER	Other, Gas - Custom	7.3%	\$97.43	\$39.60	146%	2.5x
Thermostats	Programmable Thermostat, Gas	5.7%	\$97.92	\$38.65	153%	2.5x
Custom Steam Traps	Steam Trap, Gas - Custom	3.0%	\$32.79	\$20.40	61%	1.6x
Ventilation Reduction	Controls, Gas - Custom	2.0%	\$75.12	\$48.00	57%	1.6x
HVAC Controls and EMS	Controls, Gas - Custom	1.9%	\$62.60	\$48.00	30%	1.3x
Prescriptive Steam Traps	Steam Trap, Gas	0.5%	\$47.87	\$88.89	-46%	0.5x

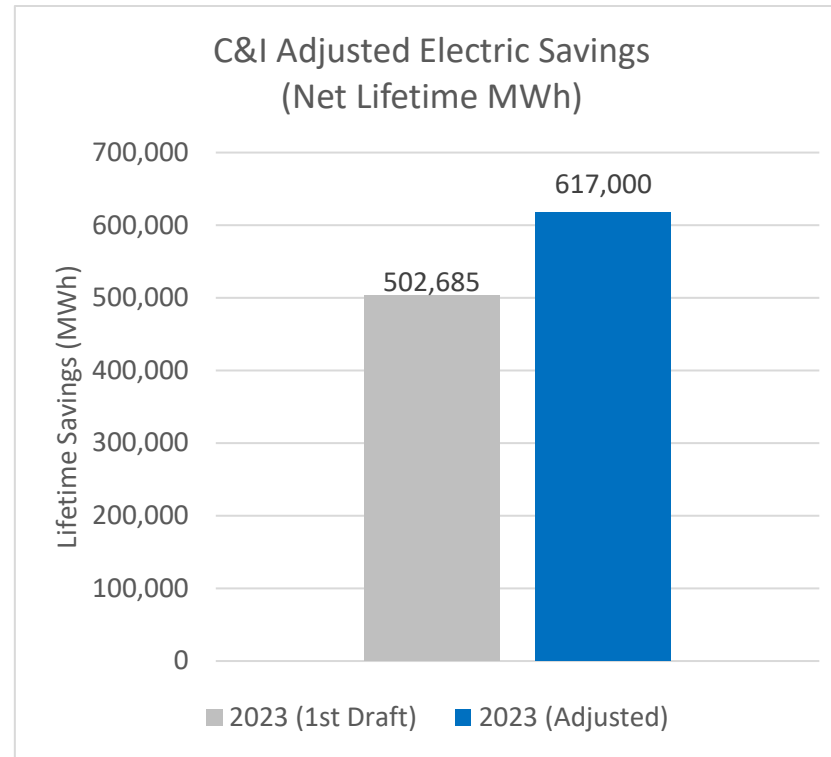


C&I – Cost Adjustments

Key Takeaway *Adjusted Electric Savings 23% higher based on 2022 cost assumptions and 2023 spending. Adjusted Gas Savings 49% higher under the same conditions.

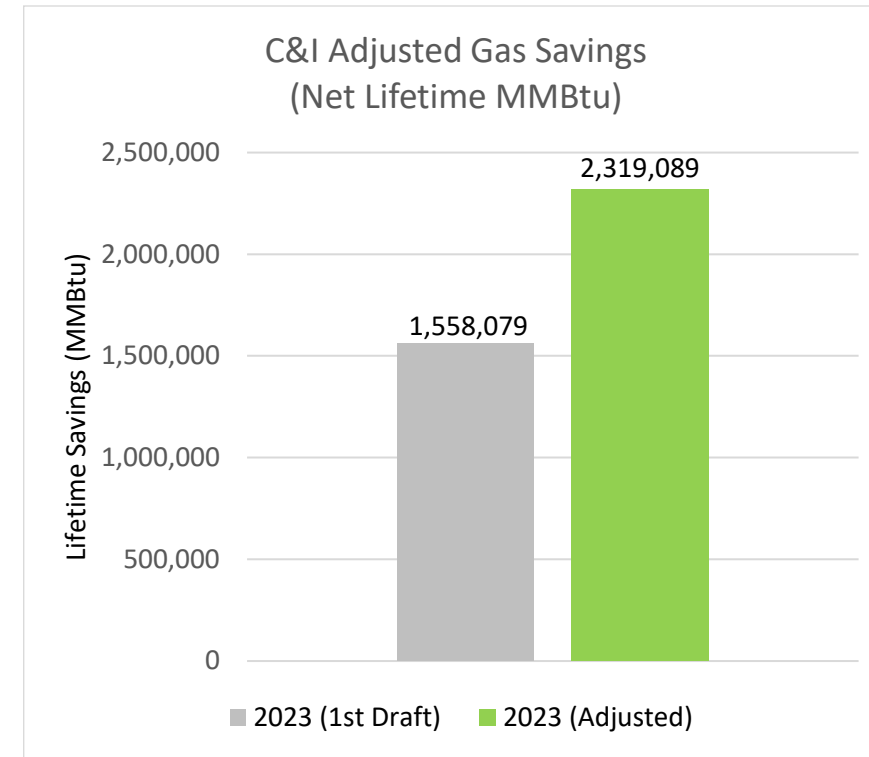
Lifetime Electric Savings (MWh)

Program	2023 (1st Draft)	2023 (Adjusted)	2023 (Adjusted) Compared to 2023 (1st Draft)
Small Business	63,612	52,186	-18%
New Construction	147,186	218,320	48%
Retrofit	291,888	346,494	19%
C&I Total	502,685	617,000	23%



Lifetime Gas Savings (MMBtu)

Program	2023 (1st Draft)	2023 (Adjusted)	2023 (Adjusted) Compared to 2023 (1st Draft)
Small Business	64,521	92,982	44%
New Construction	507,961	619,418	22%
Retrofit	925,439	1,502,601	62%
C&I Multifamily	60,158	104,088	73%
C&I Total	1,558,079	2,226,107	43%



*2023 savings were adjusted by applying 2022 program cost-to-achieve to 2023 program implementation budgets.



RESIDENTIAL SECTOR REVIEW

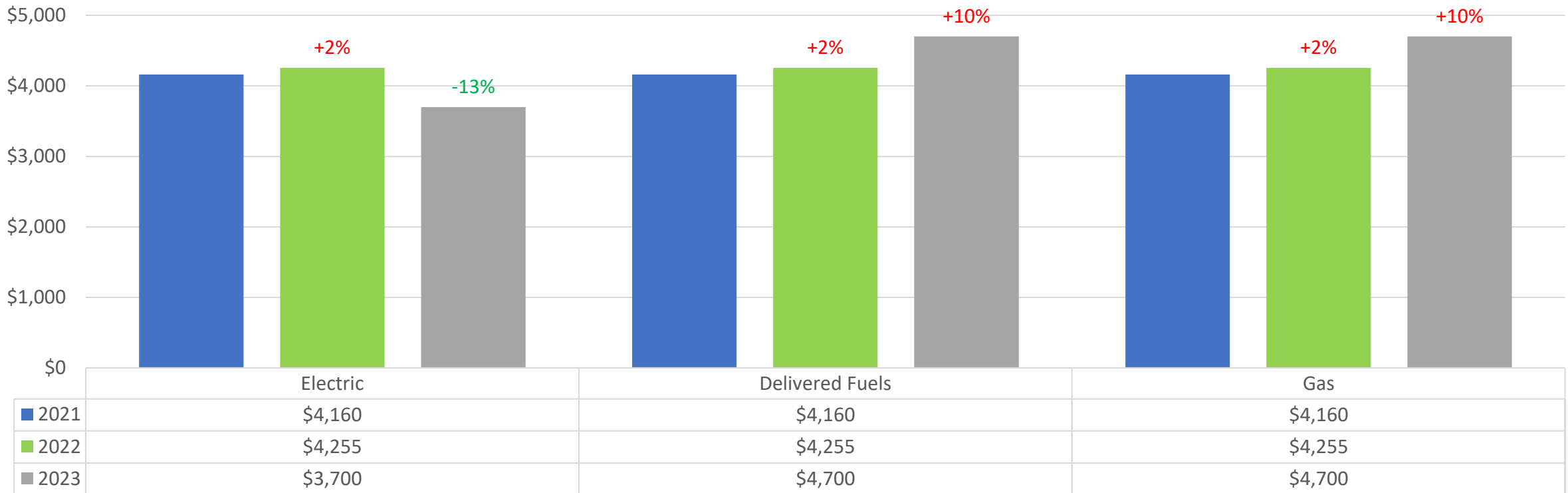




EnergyWise Weatherization Costs

Key Takeaways Increase in weatherization total resource cost (TRC) expected, but magnitude of increase is not well justified in Plan. Planned TRC is not uniform across all fuels.

Planned Weatherization TRC



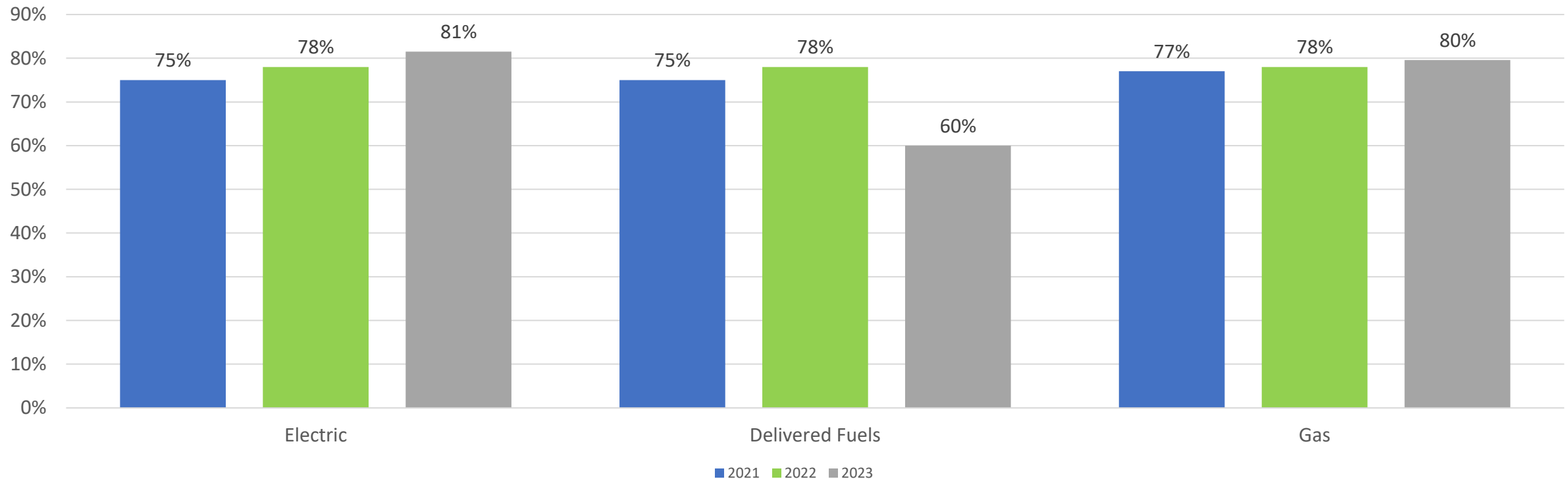


EnergyWise Weatherization Incentives

Key Takeaway

Percent of TRC covered by incentive remains at ~80% for electric and gas customers, but drops to 60% for delivered fuels customers.

Planned Incentive Coverage





Income Eligible SF Cost Assumptions

Key Takeaways

Several measures in the Income Eligible Single Family program received 10% increases in cost assumptions compared to the 2022 Plan. While some increase in these costs were expected, the magnitude has not been well justified.

Measure	2022 Plan TRC	2023 Plan TRC	Delta	% Change
Clothes Washers	\$700	\$770	\$70	+10%
AC Replacement	\$350	\$385	\$35	+10%
Dehumidifier	\$250	\$275	\$25	+10%
Heating System Replacement	\$5,000	\$5,500	\$500	+10%
Weatherization	\$5,000	\$5,500	\$500	+10%
Heat Pump Water Heaters	\$1,800	\$2,750	\$950	+53%



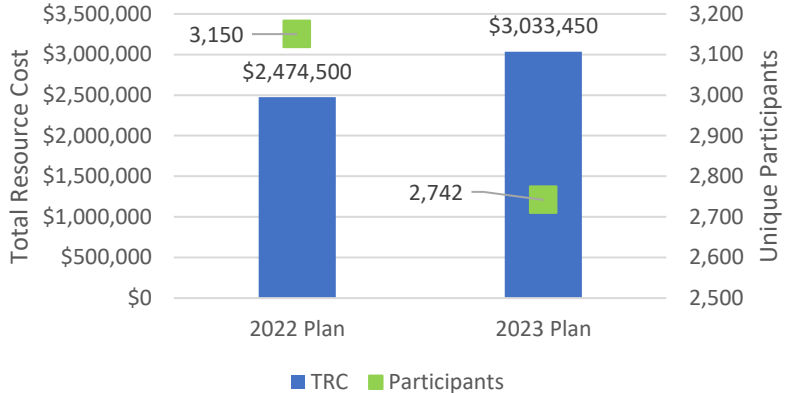
Income Eligible Multifamily

In gas program, 23% increase in TRC, combined with 13% reduction in participants, results in 41% increase in TRC per participant

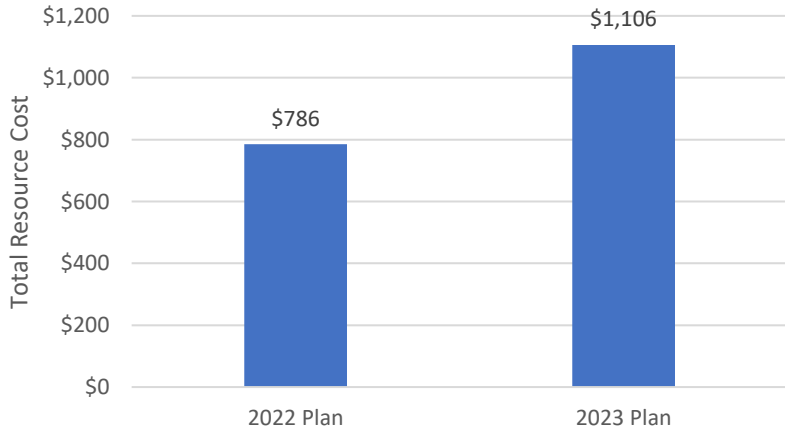
- Similar story in electric program, though to a lesser effect (11% increase in TRC per participant)

Combined Heat and Power (CHP) project in electric program is expected to account for ~11% of incentives and ~14% of the lifetime savings

IE MF Gas TRC and Participants



IE MF Gas TRC per Participant



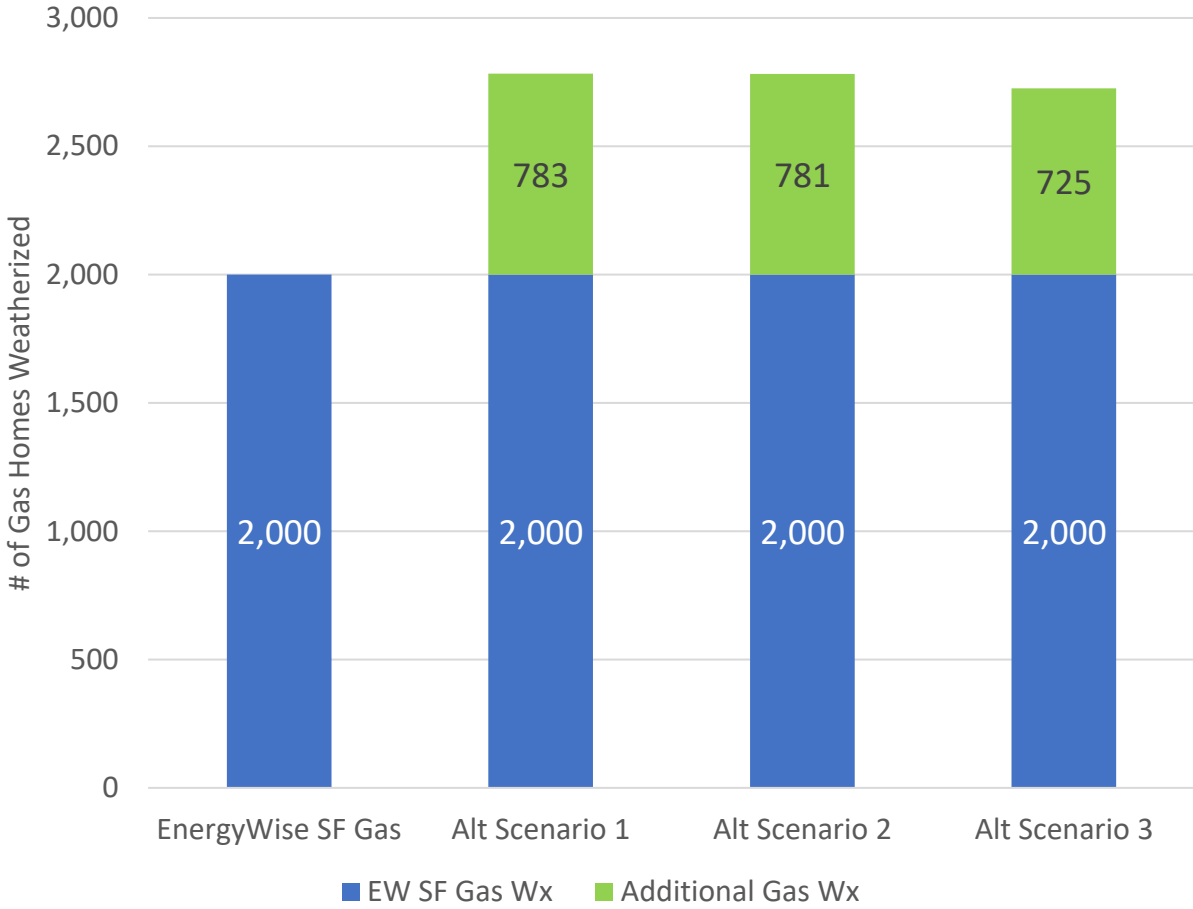


Gas HVAC Counterfactual

Example of how incentives for gas equipment could be reallocated to target prioritized efficiency activities

Scenario	Description
Alt Scenario 1	Reallocate incentives for all gas heating and hot water equipment to gas weatherization
Alt Scenario 2	Reallocate incentives for all gas heating and hot water equipment with average benefits that are lower than gas weatherization to gas weatherization
Alt Scenario 3	Reallocate incentives for all gas heating and hot water equipment with BCRs that are lower than gas weatherization to gas weatherization

Important to note that these scenarios would result in overall net reductions in lifetime savings and benefits





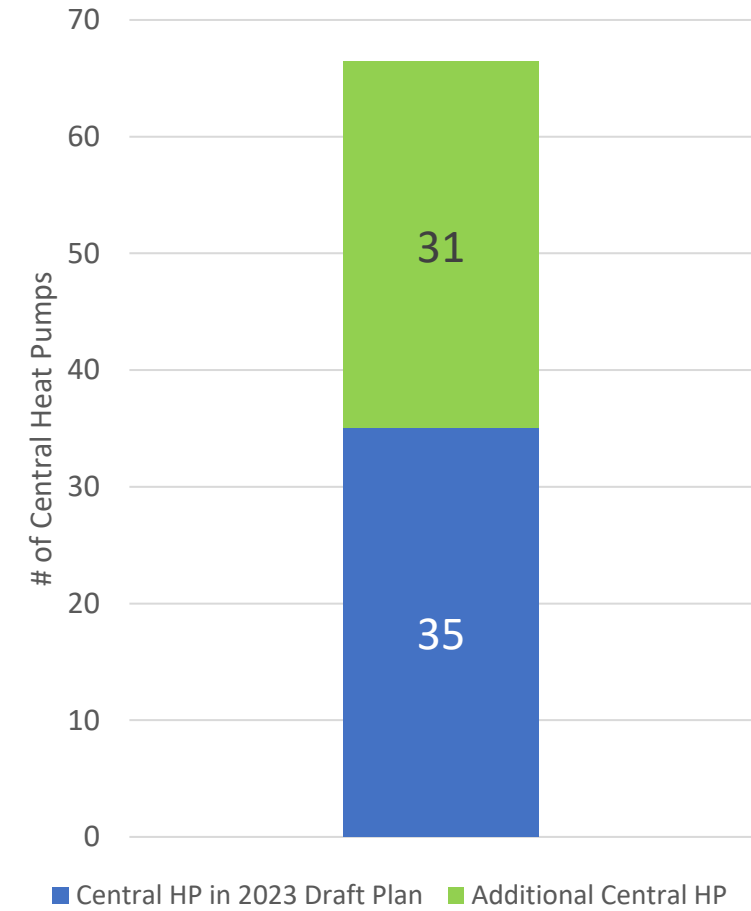
Electric Central AC vs Central Heat Pump

Compared to Central ACs, Central Heat Pumps:

- Result in ~5.5x the net lifetime electric savings
- Generate ~3x the total benefits
- Have a BCR of 6.5 compared to 1.16

At current planned incentive levels, reallocating Central AC incentives to Central HPs would nearly double the amount of planned Central HPs in the HVAC program

While this scenario would result in overall net reductions in lifetime savings and benefits, these reductions could be offset by allocating ~\$13k more in incentives to Central HPs





PORTFOLIO REVIEW





Non-Incentive Program Costs

Large increases in program non-incentive costs

- Program Planning & Administration, Marketing, Sales, Technical Assistance & Training, Evaluation & Market Research

Examples

- For PP&A, increases in all electric programs, and all but one gas program (+\$1Million, 14% over 2022 Plan)
- PP&A increased by 50% or more for 13 out of 24 electric and gas programs
- Non-incentive costs across the electric and gas portfolios increase by 12% (~\$4.2 Million), while rebates and customer incentives increase by only 4% (~\$3.9 Million)



Technical Reference Manual Database

Measure-level inputs in BC Models do not always align with corresponding measures in Technical Reference Manual Database

- Likely a result of updates to TRM coming after BC Model updates
- Alignment expected for final draft

Several examples where measure lives or other inputs in TRM database reference a table from a study or a calculation, but tables or calculations are not clear enough



Council Member Discussion

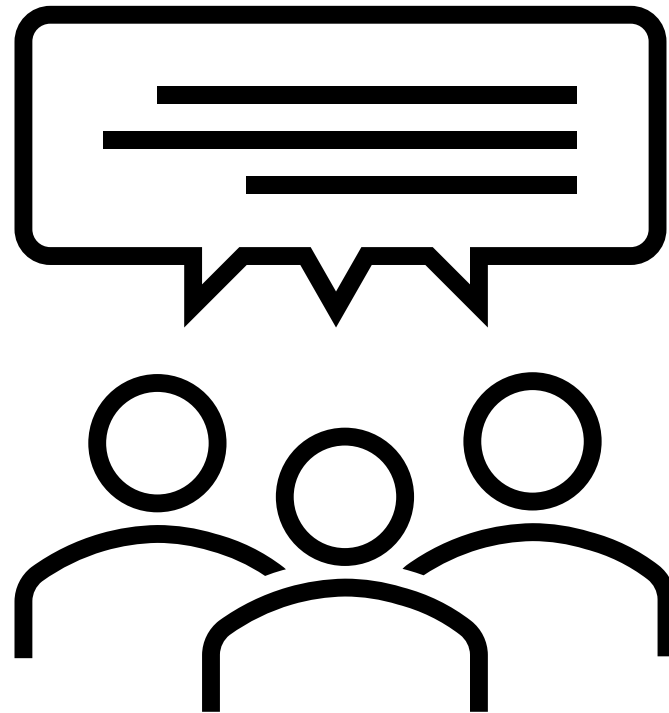


Exhibit 12



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

Consultant Team Initial Review Second Draft of the 2023 Annual Plan

Presented By: EERMC Consultant Team

Date: September 22, 2022



Outline

Overview

Key Updates

Portfolio Data

Council Priorities

Commercial & Industrial Review

Residential & Income Eligible Review

Preview of Council Vote

Council Discussion



Key Updates

OVERVIEW





Review of 1st Draft Key Flags (1)

Large year-over-year cost increases are the focus of sector-level review and content later in this presentation

Equity section now has content, was blank in 1st draft

- 2023 commitments show modest change over 2022 and retain many of the concerns voiced in recent C-Team review of 2022 commitment updates. Those have not been addressed by RIE.
- “The sale of the Company had a direct impact on staffing to support the equity enhancements” – 2023 Plan Second Draft, p.38



Review of 1st Draft Key Flags (2)

The **2022 year-end fund balance forecast** has been discussed, with more detailed data shared by RIE. Some questions remain, but addressable outside Plan proceeding. May warrant faster return of future positive fund balances to ratepayers.

Non-incentive costs have come down by \$2.47M from the first draft, now show a more reasonable 4.8% annual increase for combined gas and electric non-incentive costs.



Portfolio Data

OVERVIEW



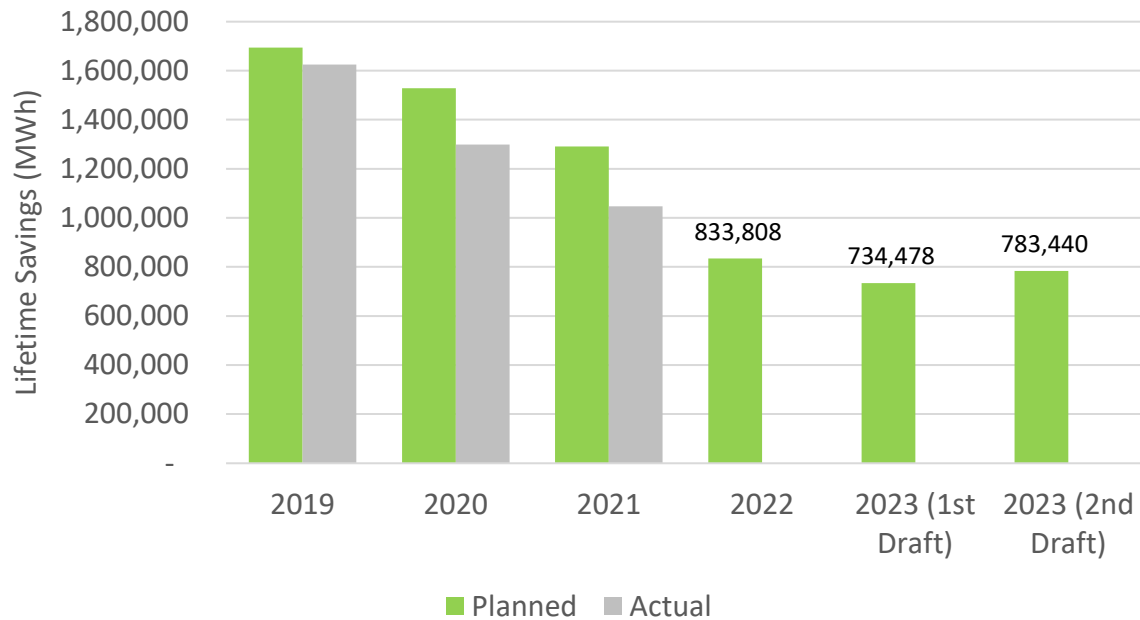


Portfolio Lifetime Savings

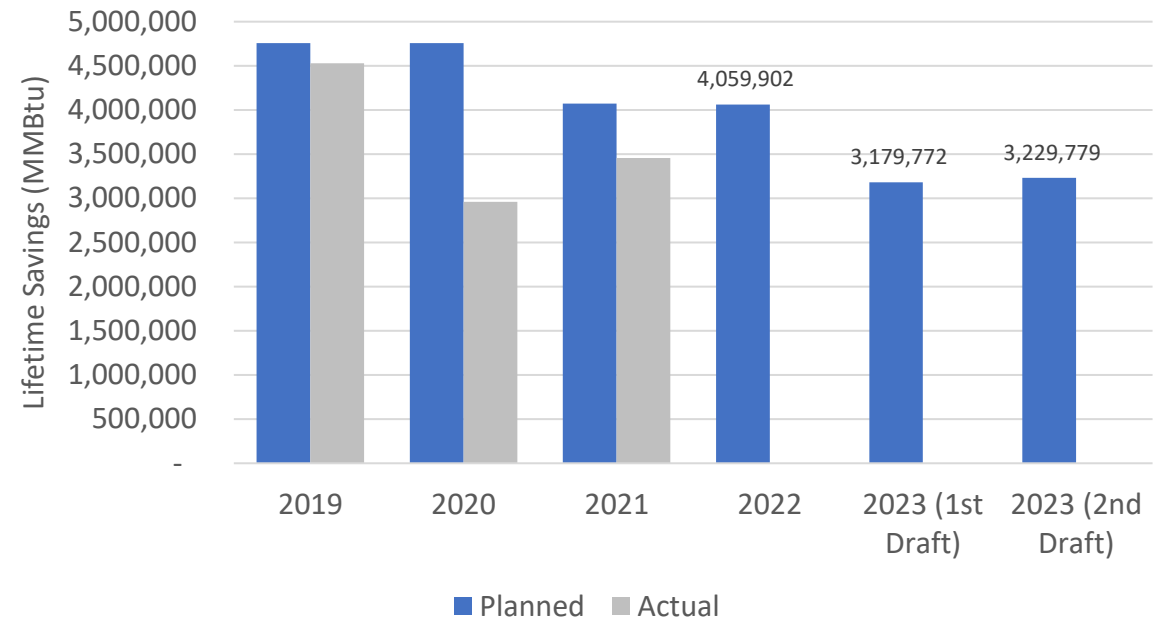
Key Takeaway

Increased lifetime electric (+7%) and gas (+2%) savings between 2023 Plan drafts

Electric Lifetime Savings (MWh) - Portfolio Total



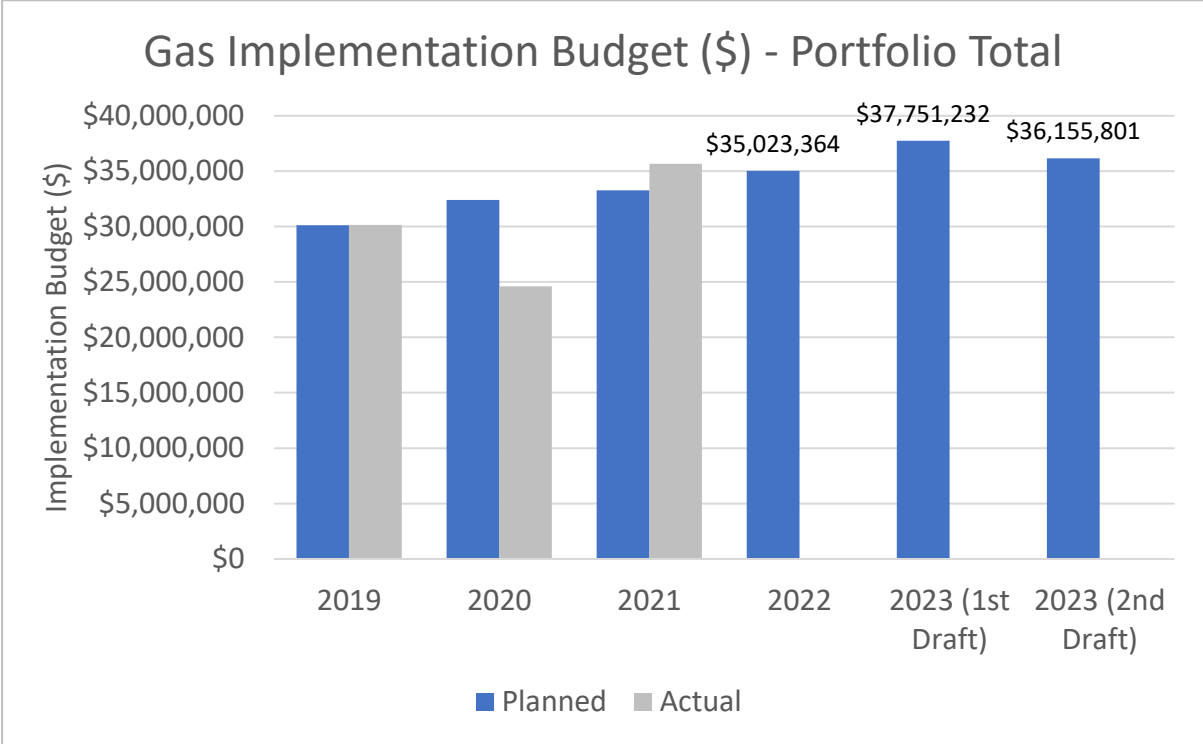
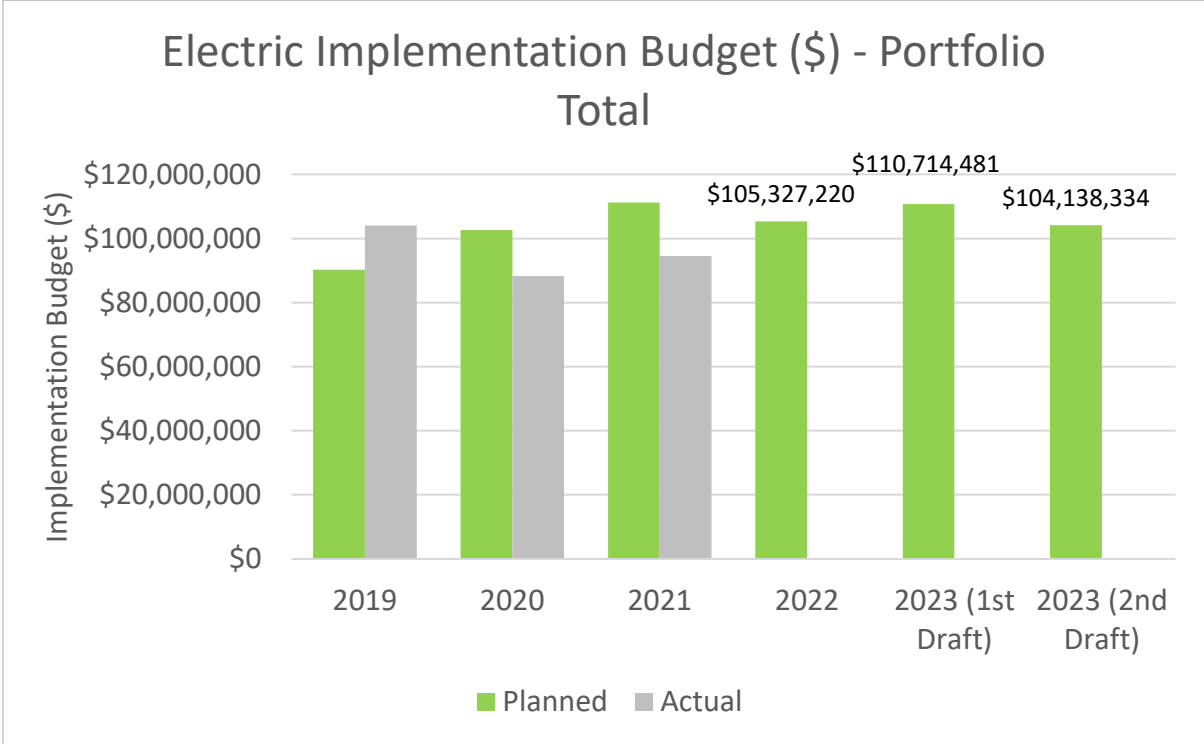
Gas Lifetime Savings (MMBtu) - Portfolio Total





Implementation Budget

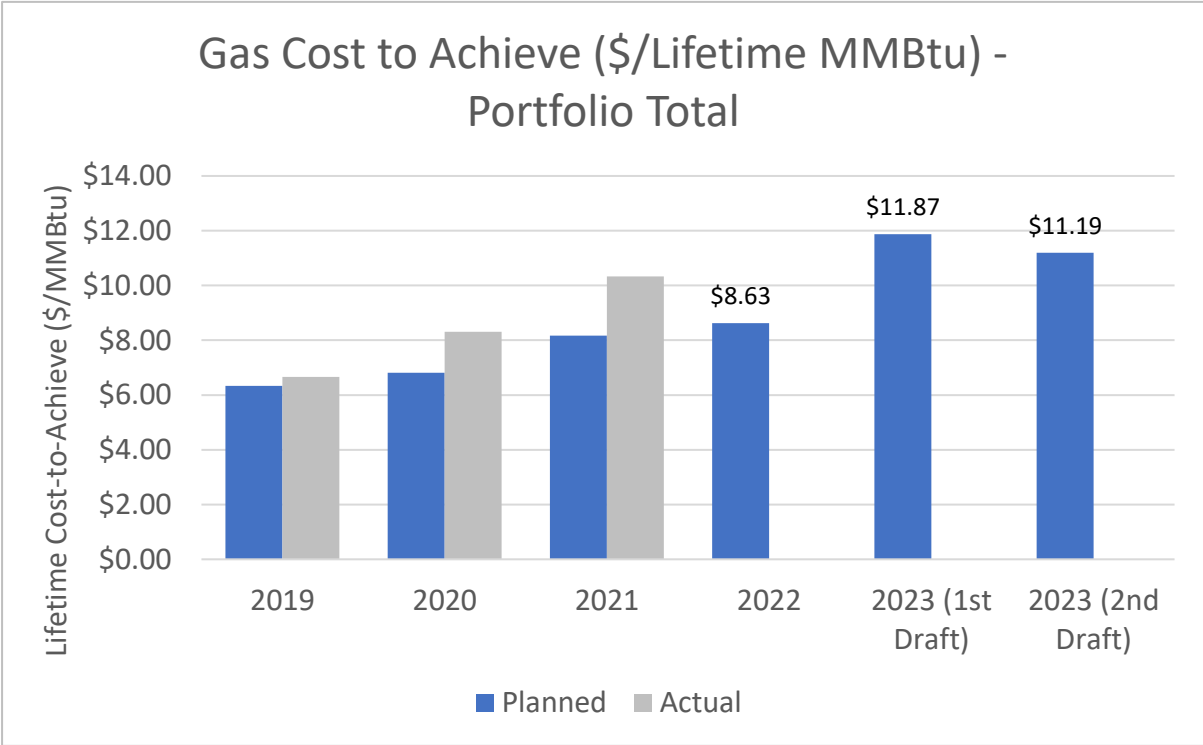
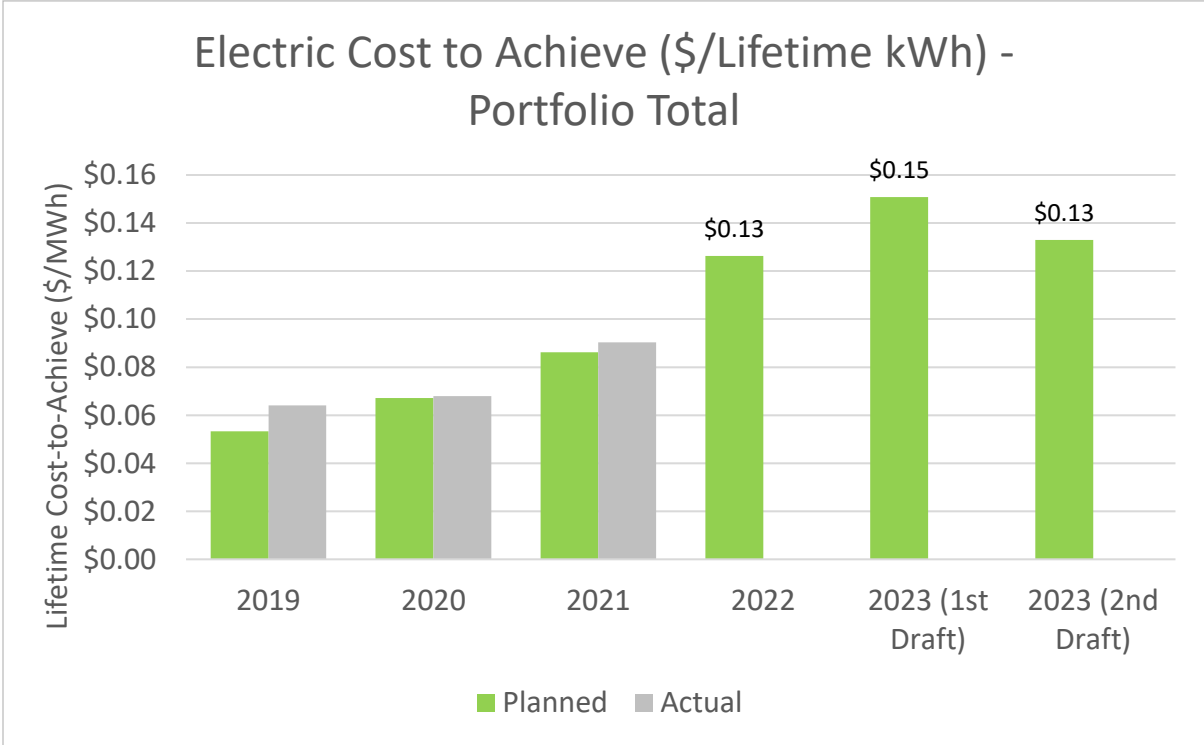
Key Takeaway Both electric and gas implementation budgets reduced between 2023 drafts





Portfolio Cost to Achieve

Key Takeaway Electric cost to achieve 5% above 2022 Plan. Gas cost to achieve still substantially higher than 2022 Plan in 2023 Plan 2nd Draft (+30%)





Council Priorities

OVERVIEW





Six Council Priorities

Priority #1: Align with Three-Year Plan

Priority #2: Comply with LCP Standards

Priority #3: Incorporate Stakeholder Input

Priority #4: Support Equity & Access

Priority #5: Ensure Effective & Efficient Development & Review Process

Priority #6: Give Due Consideration to Act on Climate Mandates



2023 EE Plan Responsiveness to EERMC Priorities

Priorities	Quantitative	Qualitative
Priority #1: Align with Three-Year Plan	Partial – Plan makes reference to Base Case but savings levels below 3YP. Measure mix shifting in right direction.	Not Responsive – Limited specific content despite Council and Stakeholder emphasis. Cost efficiency priority from 3YP in question.
Priority #2: Comply with LCP Standards	TBD – See Cost-Effectiveness Report at next week’s Council meeting	Responsive – Though some opportunities for improvement exist
Priority #3: Incorporate Stakeholder Input	Partial – Collaborative review of costs appreciated; see qualitative assessment & Priority #1 assessment	Not Responsive – Limited specific content from stakeholders incorporated during plan development.
Priority #4: Support Equity & Access	Not Responsive – E.g., lack of quantified commitment metrics and target levels; IES reduced savings & participants	Partial – Equity improved long-term plan content; annual commitments similar. IES CAP referral an improvement, but net impacts unclear & propensity targeting could be reconsidered
Priority #5: Ensure Effective & Efficient Development & Review Process	Not Applicable	Partial – Overall improvement with some items late for 2 nd draft review; degree of responsiveness to 1 st draft feedback a consideration. Councilor perspective?
Priority #6: Give Due Consideration to Act on Climate Mandates	Partial – RIE has included estimate and indicated openness to expanding quantitative GHG metrics in future	TBD – Specific requirements still in development – plan speaks to GHG impacts & references Act on Climate



COMMERCIAL AND INDUSTRIAL SECTOR REVIEW





Key Second Draft Findings

Substantial changes made to electric cost assumptions, primarily Large C&I Retrofit

- Some continued revisions anticipated before filing to resolve remaining measure-level cost increases

Gas acquisition costs remain very high relative to 2022 Plan levels and 2021 actuals

- RIE has indicated intent to revisit and potentially revise gas costs downward

Some program areas lack sufficient context or justification for changes/strategies (e.g., measure costs, C&I Pricing Study)

- “how” and “why” behind program implementation efforts not fully fleshed out. Especially important to assess strategies for delivering non-lighting measures

The Company mentions barriers and supply chain issues without detailing mitigation efforts

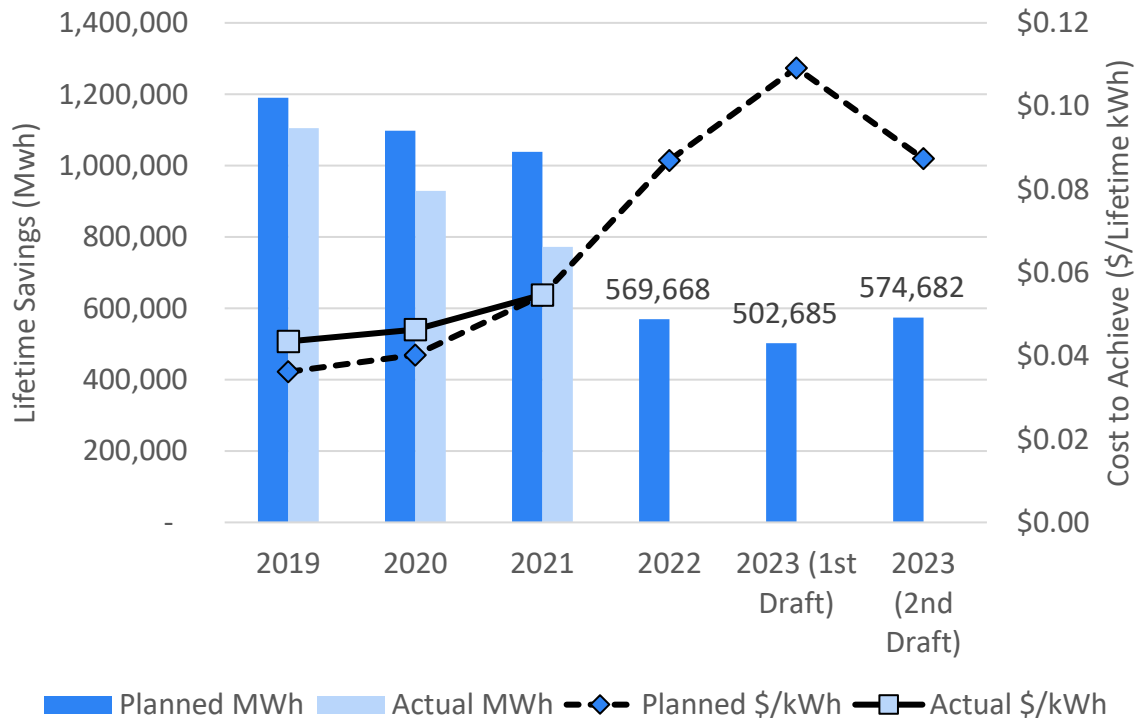
Workforce Needs Assessment delayed until at least end of year 2022



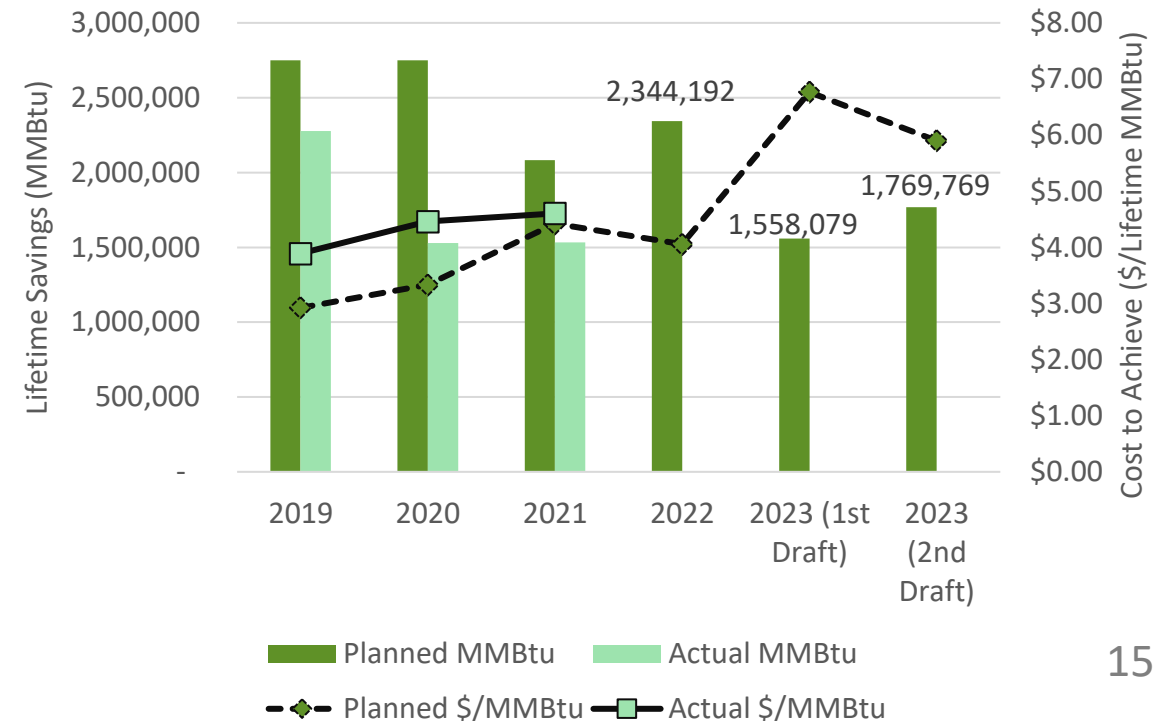
Quantitative Changes

Key Takeaway Electric cost to achieve now matches 2022 Plan for C&I electric sector. Gas cost to achieve still substantially higher than 2022 Plan in 2023 Plan 2nd Draft (+45%)

Lifetime Electric Savings and Cost to Achieve Trends – C&I Sector Total



Lifetime Gas Savings and Cost to Achieve Trends – C&I Sector Total

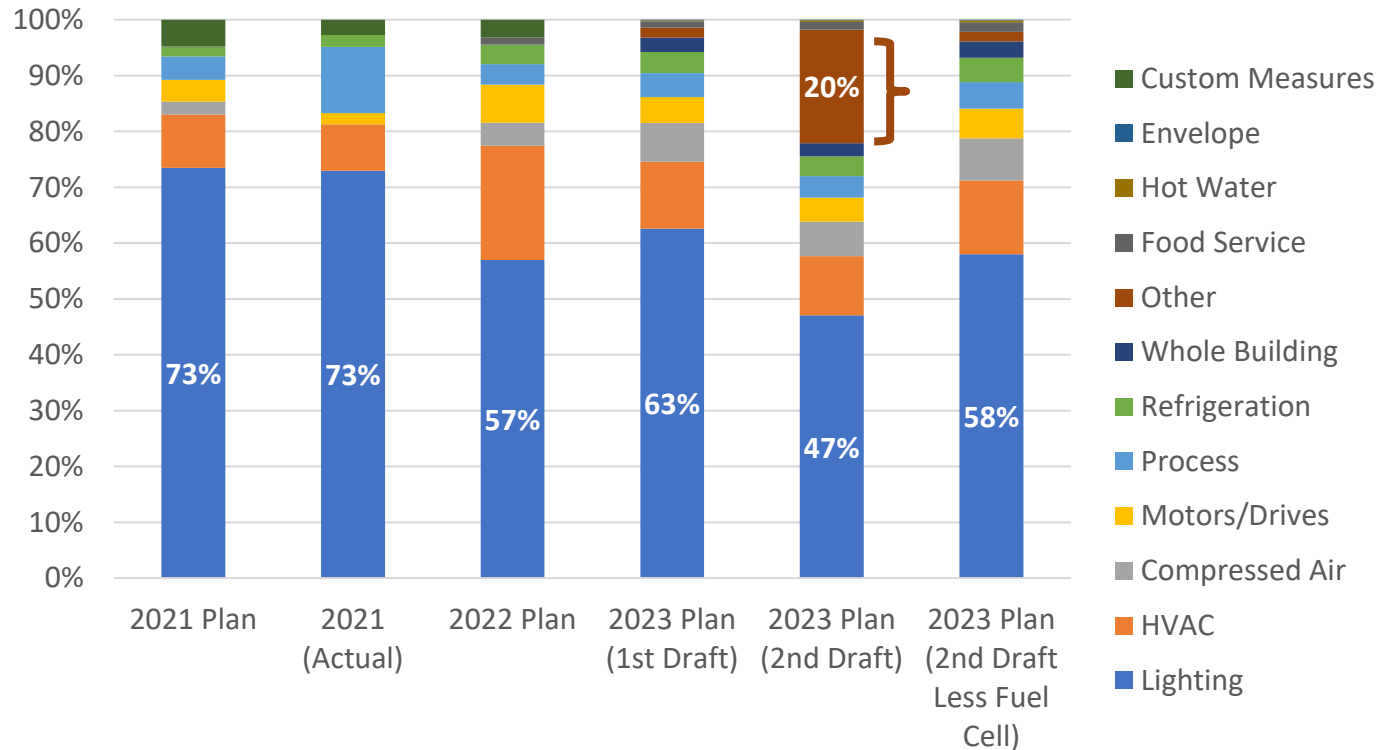




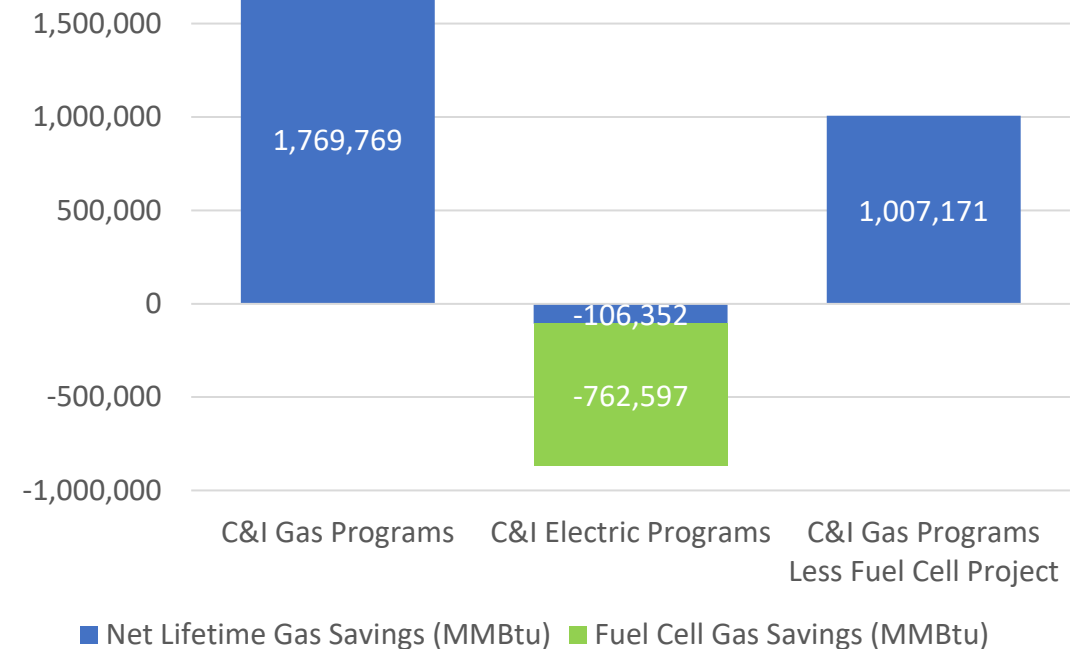
Fuel Cell Project

2 MW Fuel Cell project added in 2023 EE Plan Second Draft, which accounts for 19% of lifetime C&I electric savings, but offsets 43% of lifetime C&I gas savings

Lifetime Electric Savings by End Use, C&I Sector (2021-2023)



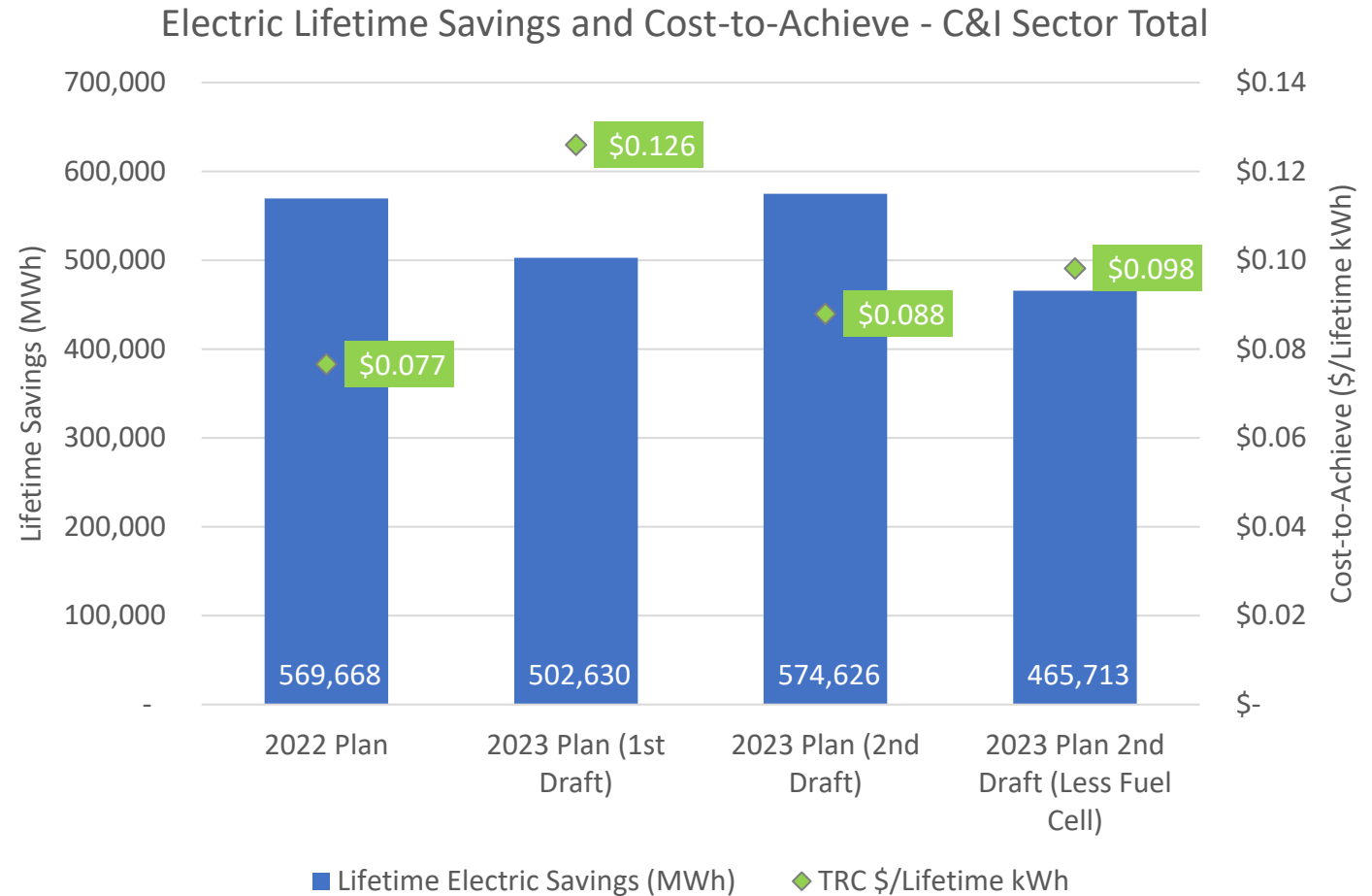
Net Lifetime Gas Savings (MMBtu) - C&I Sector Total





Fuel Cell Project

The project has not yet been analyzed in a Technical Assistance (TA) study nor screened for cost-effectiveness. This means that only preliminary savings and cost estimates are available.





Fuel Cell Project

In the event the Fuel Cell project is not implemented, planned C&I savings would decrease by 18% and cost-to-achieve would increase by 28% compared to the 2022 Plan

Plan Year	Lifetime Electric Savings (MWh)	TRC \$/Lifetime kWh
2022 Plan	569,668	\$0.077
2023 Plan 2 nd Draft	574,626	\$0.088
Fuel Cell Project	108,913	\$0.044
2023 Plan 2 nd Draft w/o Fuel Cell	465,713	\$0.098
2022 Plan to 2023 Plan 2nd Draft w/o Fuel Cell	-103,955 (-18%)	+0.022 (+28%)



C&I – Cost Trend Analysis

Key Takeaway Benchmarking of planned to actual costs only performed for electric Large C&I Retrofit, which is the only electric program that saw a notable decrease in project cost coverage

Incentive as a Share of Total Resource Cost

Electric Program	2022 Plan	2023 Plan (1 st Draft)	2023 Plan (2 nd Draft)
Large C&I New Construction	90%	92%	90%
Large C&I Retrofit	69%	74%	55%
Small Business Direct Install	80%	80%	80%
Electric C&I Sector Total	75%	78%	64%

Gas Program	2022 Plan	2023 Plan (1 st Draft)	2023 Plan (2 nd Draft)
Large C&I New Construction	87%	94%	113%
Large C&I Retrofit	47%	46%	46%
Small Business Direct Install	77%	78%	78%
C&I Multifamily	90%	60%	68%
Gas C&I Sector Total	61%	56%	62%



C&I – Cross-Jurisdictional Cost Comparison

Mapping to National Grid MA 2022-2024 Plan BCR Models to benchmark RI cost assumptions. Gas measure incentive costs significantly higher in RI – top ~40% saving Retrofit measures shown

Measure	Percent of Total RI C&I Lifetime Gas Savings	RI Incentive Cost per Gross Annual MMBtu	MA Incentive Cost per Gross Annual MMBtu	Multiple (RI Compared to MA)
Heat Recovery - All, Year Round, and Seasonal	8.3%	\$48.19	\$20.00	2.4x
Wi-Fi Thermostats	7.5%	\$30.00	\$14.34	2.1x
CUSTOM - OTHER	6.8%	\$44.67	\$19.80	2.3x
HVAC Equipment	6.3%	\$36.14	\$20.50	1.8
Thermostats	5.0%	\$30.00	\$19.32	1.6
Custom Steam Traps	2.9%	\$12.50	\$10.20	1.2
HVAC Controls and EMS	1.8%	\$36.14	\$24.00	1.5
Ventilation Reduction	1.7%	\$30.12	\$24.00	1.3
Prescriptive Steam Traps	0.4%	\$22.00	\$44.44	0.5



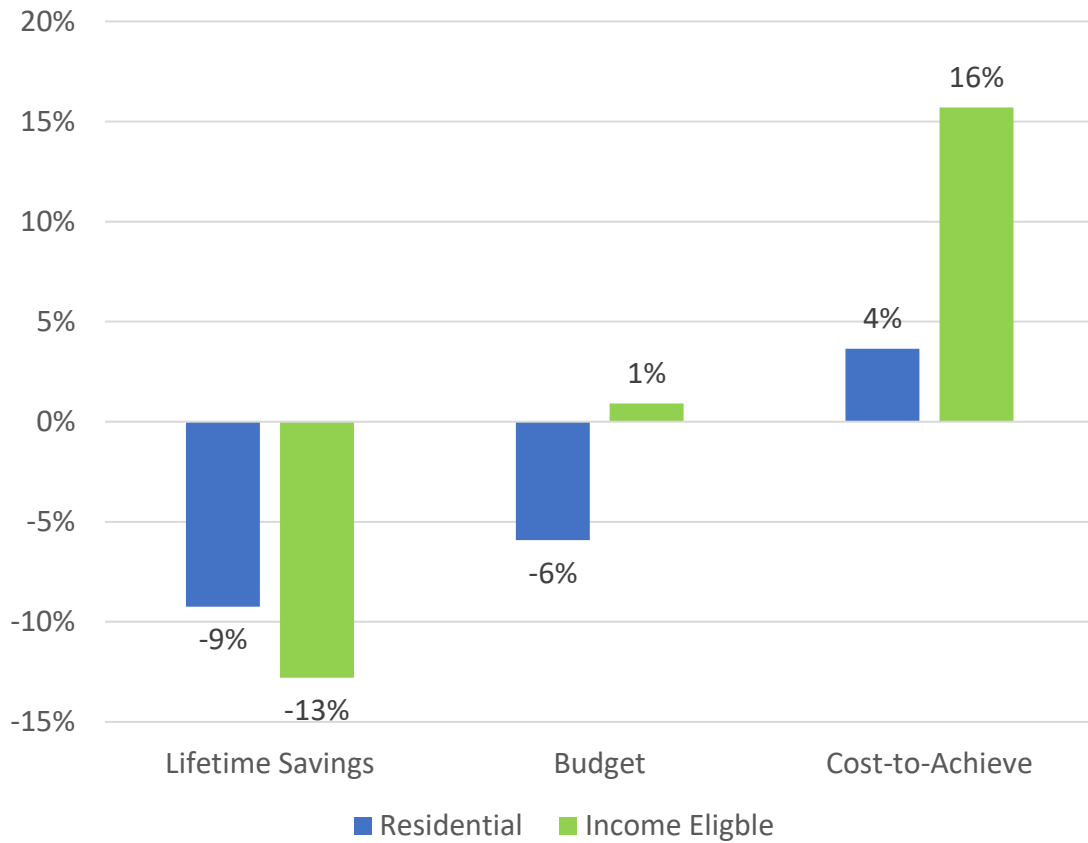
RESIDENTIAL SECTOR REVIEW



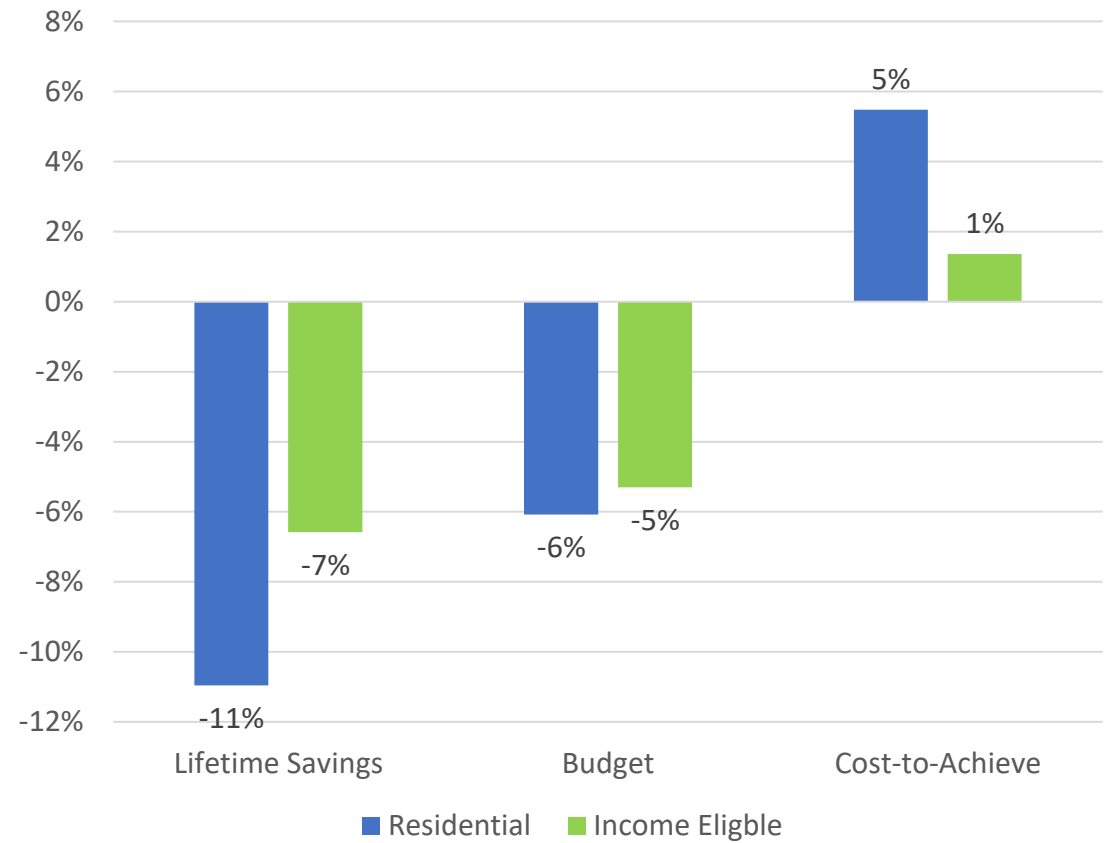


High Level Sector Overview

Electric Programs Compared to 2023 First Draft



Gas Programs Compared to 2023 First Draft





Key Qualitative Improvements

Specific detail on five communities that will be the focus of enhanced and targeted outreach

- Align with RI DEM list of Environmental Justice Focus Areas
- Initiative to allow non-participants in census tracts to participate in low- and moderate-income offerings without income verification

Addition of delivered fuel switching option for income-eligible properties with end-of-life heating systems

- Plan to work with supporting stakeholders to identify where funding can be leveraged to aid in this deployment

Commitment to align and coordinate with state heat pump program offerings



Outstanding Qualitative Concerns

Multifamily

- Addressing Multifamily customers with low-propensity scores in particular needs more attention to detail

Income Eligible

- Connection between key-performance indicator tracking and reporting with CAPs, and improving CAP performance not sufficiently justified
- Concerns raised about Inter-agency CAP referral process remain
- Comment response from RIE indicates plan to train staff to be able to provide both appliance and weatherization audits simultaneously, but no commitment in Plan to do so

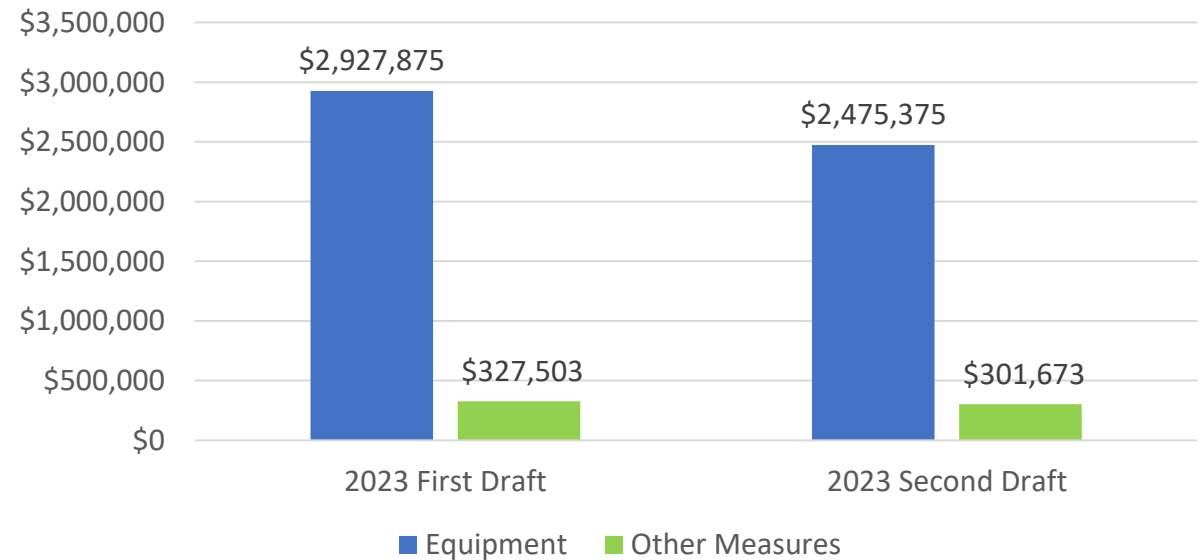


Outstanding Quantitative Concerns (1)

HVAC Measure Mix

- No clear plan for phasing out support for gas equipment despite being a key area of concern raised by multiple stakeholders
- Electric HVAC program will continue to support Central ACs; this support should be dropped in favor of central HPs

Gas HVAC Program Incentives - Equipment vs. Other Measures



Measure	2023 Plan First Draft	2023 Plan Second Draft
Central AC	220	220
Central Heat Pump	35	35



Outstanding Quantitative Concerns (2)

Company has provided sufficient justification for increases in weatherization costs, but other increases in Income Eligible SF Electric are best guess estimates

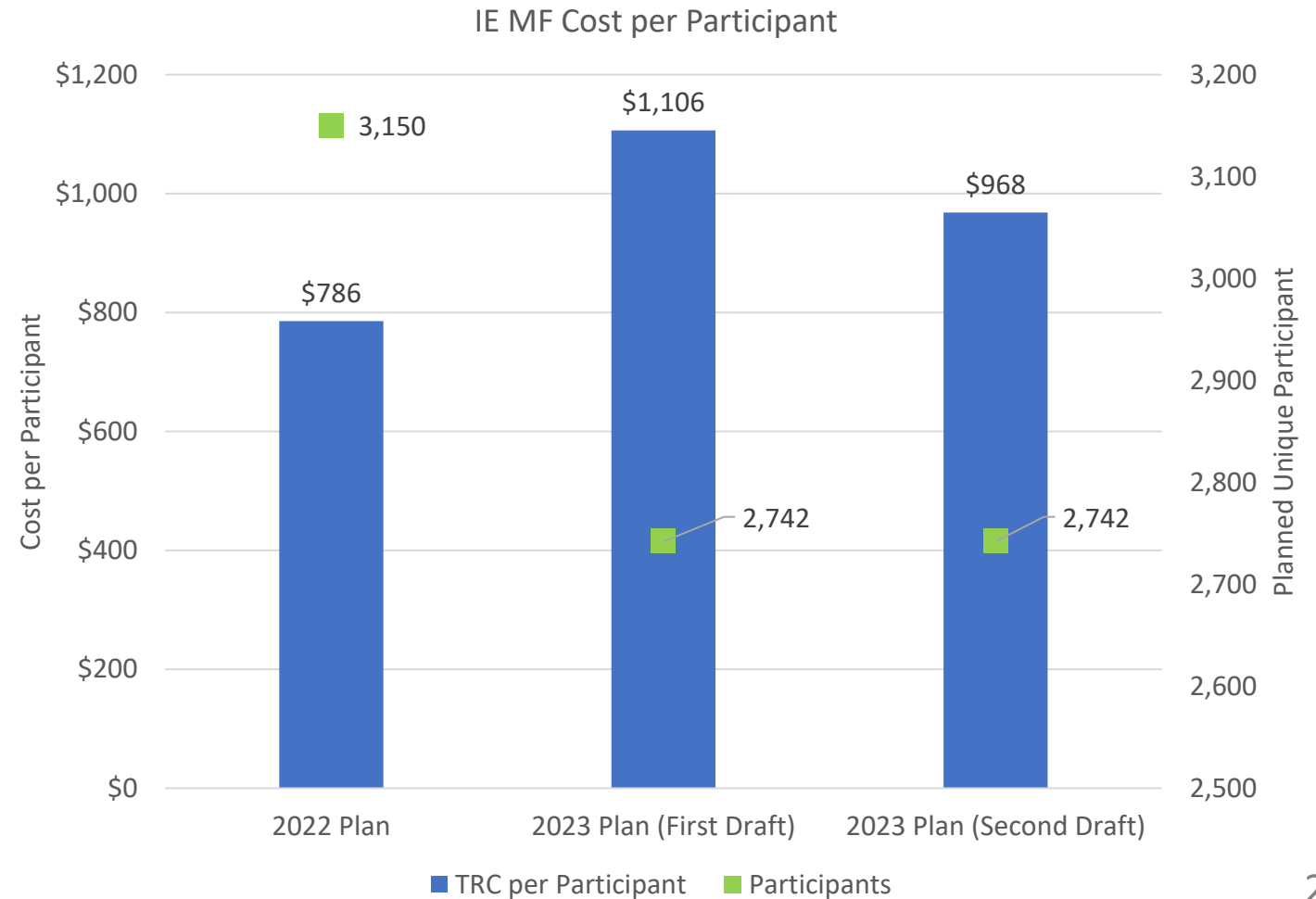
Measure	2022 Plan TRC	2023 Plan TRC	Delta	% Change
Clothes Washers	\$700	\$770	\$70	+10%
AC Replacement	\$350	\$385	\$35	+10%
Dehumidifier	\$250	\$275	\$25	+10%
Heating System Replacement	\$5,000	\$5,500	\$500	+10%
Freezer	\$550	\$600	\$50	+9%
Refrigerator	\$1,050	\$1,100	\$50	+5%



Outstanding Quantitative Concerns (3)

Average cost per Income Eligible Multifamily participant improved from first draft of plan...

...but remains over 20% higher compared to 2022 Plan





New Quantitative Concerns (1)

Cost and savings assumptions for Income Eligible Multifamily CHP based on projects completed in recent years

However, planning assumptions do not account for fuel utilization that would result in reduced benefits

Net benefits and carbon reductions for these project(s) are not fully represented in modeling



New Quantitative Concerns (2)

Rebates and Other Customer Incentives in Table E-2 appear to be under-represented for some programs

- RI Energy acknowledges this concern is working to resolve it

Program	Incentives in Table E-2	Sum of Incentives in BC Model	Difference
Income Eligible Single Family (Electric)	\$10,049,616	\$10,575,315	\$525,699
Income Eligible Multifamily (Electric)	\$2,602,065	\$3,502,065	\$900,000
EnergyWise Multifamily (Electric)	\$863,451	\$903,531	\$40,808
Residential New Construction (Gas)	\$357,710	\$358,460	\$750



PREVIEW OF COUNCIL VOTE





Council's Responsibility

EERMC role and responsibility in potentially endorsing the Plan as described in the LCP Standards:

“

The Council shall vote whether to endorse the Annual EE Plan prior to the prescribed filing date. If the Council does not endorse the Annual EE Plan, the Council shall document its reasons and submit comments on the Annual EE Plan to the PUC for its consideration in final review of the Annual Plan.

”

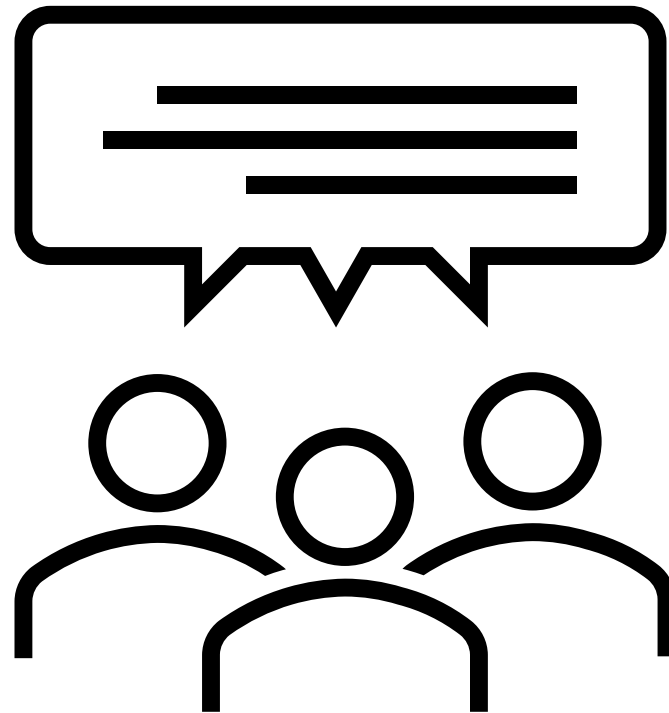


Summary of 2022 Plan Vote Options

1. **Endorse the EE Plan**, as has been the case in all previous years. Endorsement may also list Council's concerns that didn't prevent endorsement but warrant mentioning.
2. **Endorse the EE Plan**, but decline to join any Settlement of the Parties. Represents a strong statement of the EERMC's concerns.
3. **Not endorse the EE Plan**, but indicate that if specific condition(s) are met it would be endorsed.
4. **Not endorse the EE Plan**, and provide a list of reasons why it was not endorsed for PUC consideration in its final review of the EE Plan.



Council Member Discussion





APPENDICES





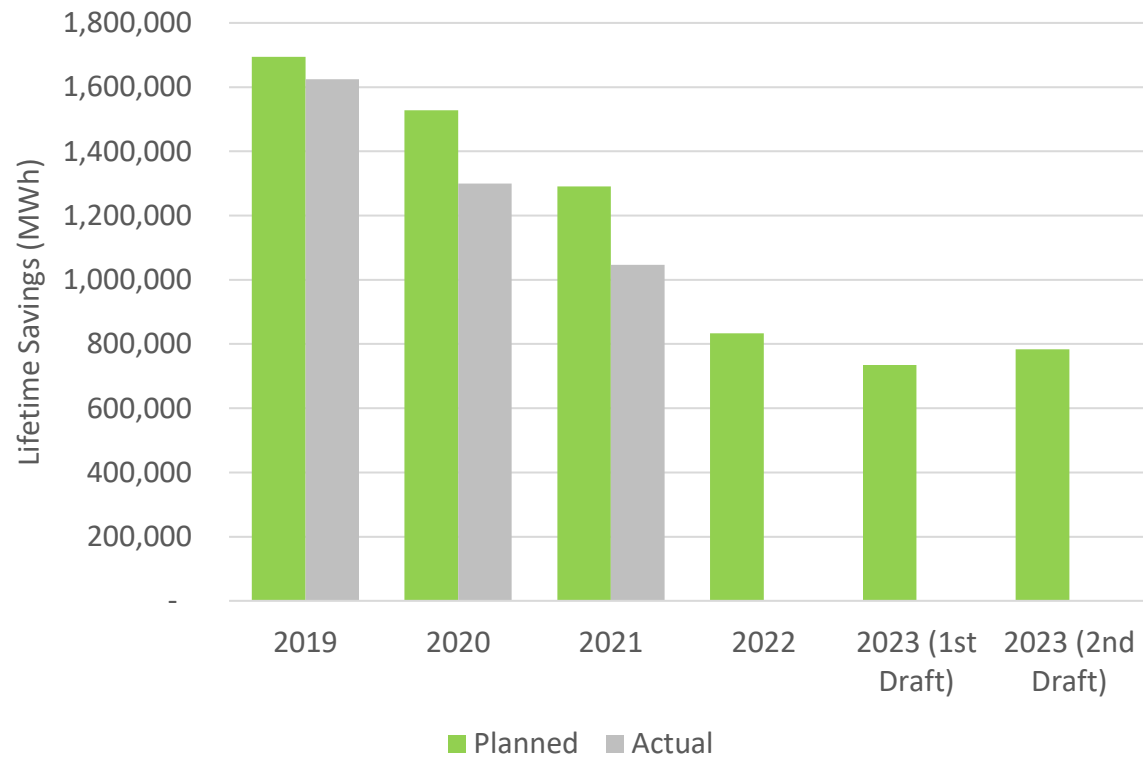
PORTFOLIO DATA



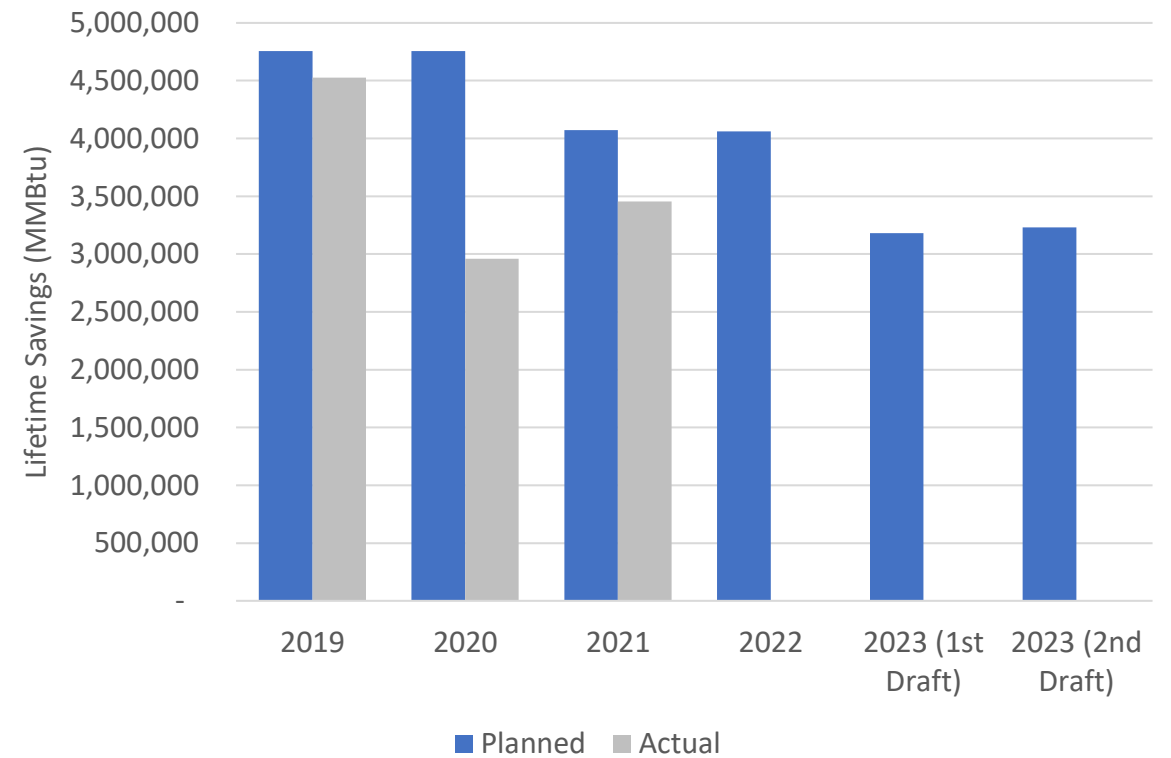


Portfolio Lifetime Savings

Electric Lifetime Savings (MWh) - Portfolio Total



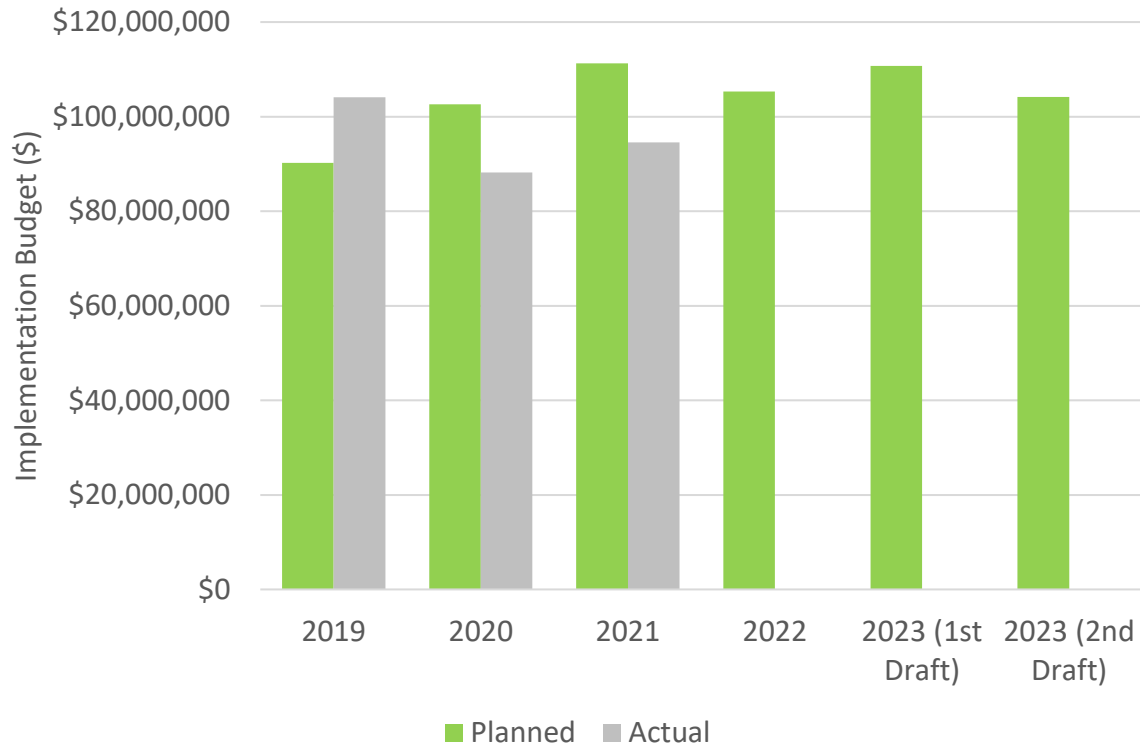
Gas Lifetime Savings (MMBtu) - Portfolio Total



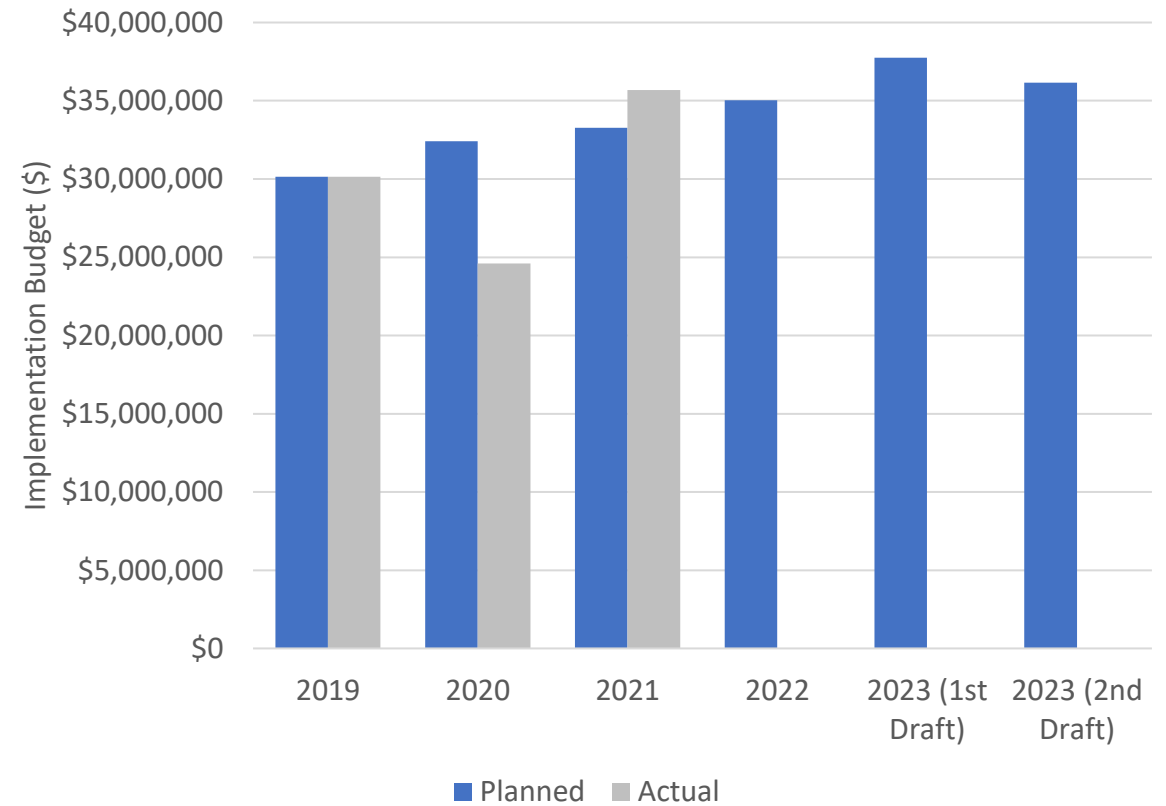


Portfolio Implementation Budget

Electric Implementation Budget (\$) - Portfolio Total



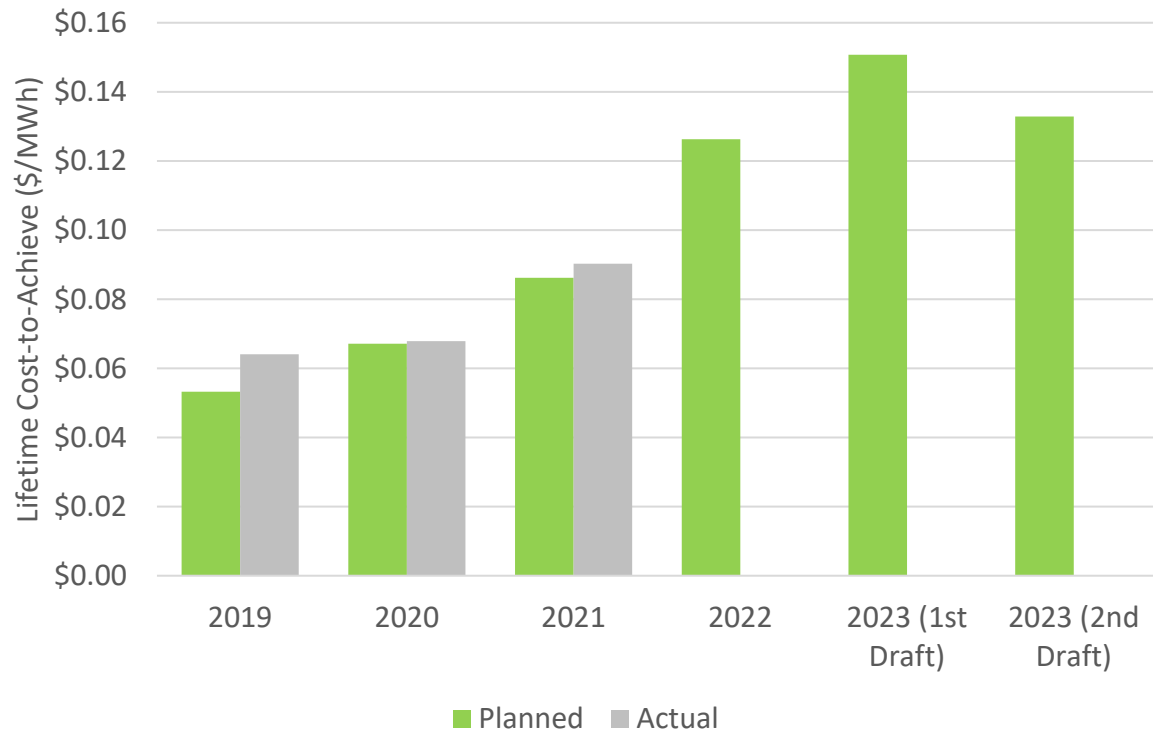
Gas Implementation Budget (\$) - Portfolio Total



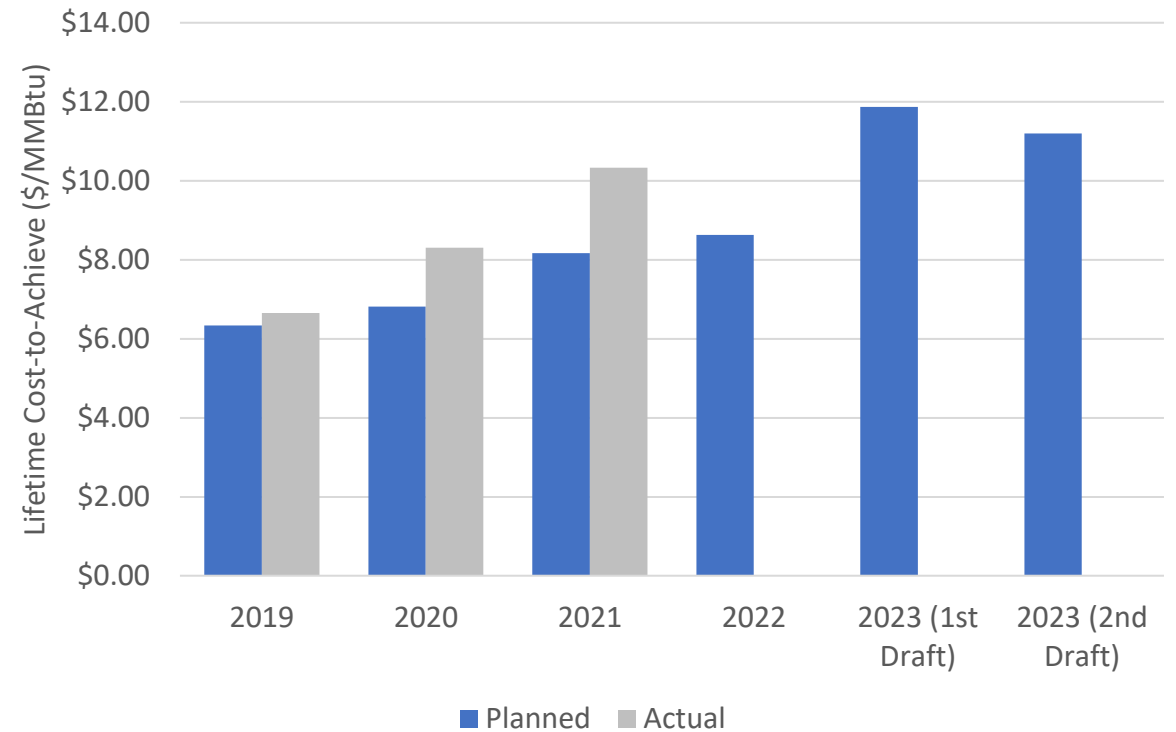


Portfolio Cost to Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Portfolio Total

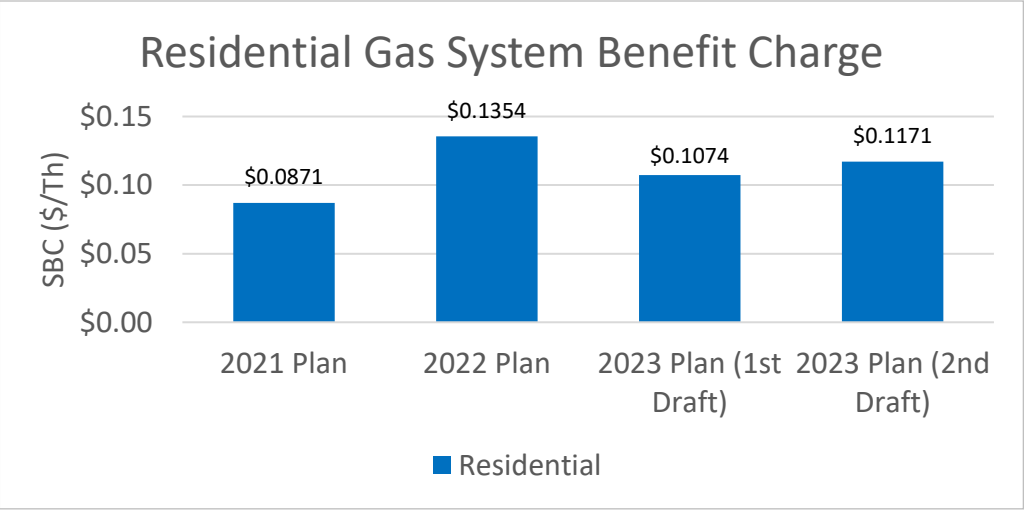
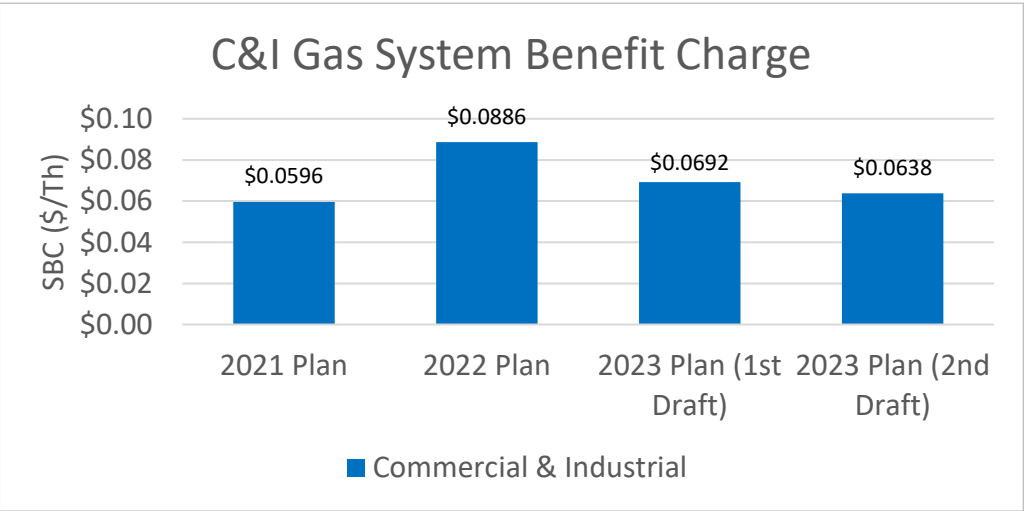
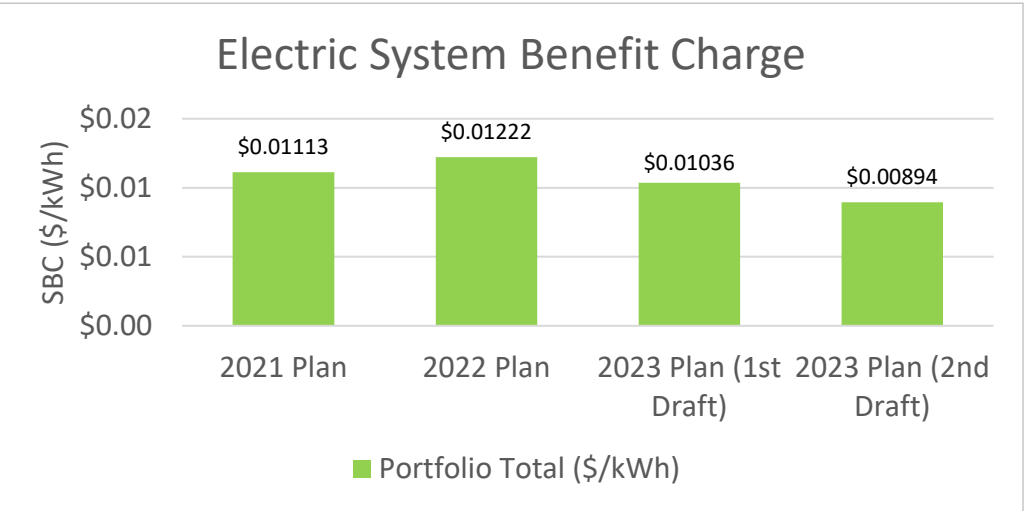


Gas Cost to Achieve (\$/Lifetime MMBtu) - Portfolio Total





System Benefit Charge



Decrease in System Benefit Charge (SBC) across both portfolio partially attributable to high forecasted underspending in 2022



Electric Lifetime MWhs

LIFETIME MWhs

% of 2023 Portfolio	Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
			Value	% Change	Value	% Change
7%	Small Business Direct Install	57,778	-6,616	-10.3%	-5,834	-9.2%
20%	Large Commercial New Construction	157,598	-34,745	-18.1%	10,412	7.1%
46%	Large Commercial Retrofit	359,306	46,374	14.8%	67,418	23.1%
73%	C&I Total	574,682	5,014	0.9%	71,997	14.3%
3%	Single Family - Income Eligible Services	22,228	-16,278	-42.3%	-6,246	-21.9%
2%	Income Eligible Multifamily	17,632	-6,678	-27.5%	404	2.3%
5%	Income Eligible Total	39,860	-22,955	-36.5%	-5,843	-12.8%
2%	Residential New Construction	15,377	431	2.9%	0	0.0%
9%	ENERGY STAR® HVAC	71,055	-6,662	-8.6%	-3,150	-4.2%
2%	EnergyWise	16,940	3,468	25.7%	838	5.2%
1%	EnergyWise Multifamily	9,493	-11,290	-54.3%	49	0.5%
3%	Home Energy Reports	24,350	-2,503	-9.3%	-5,299	-17.9%
0%	ENERGY STAR® Lighting	0	0		0	
4%	Residential Consumer Products	31,684	-15,871	-33.4%	-9,630	-23.3%
22%	Residential Total	168,898	-32,427	-16.1%	-17,192	-9.2%
100%	Portfolio Total	783,440	-50,368	-6.0%	48,962	6.7%



Electric Annual MWhs

		ANNUAL MWhs					
% of 2023 Portfolio	Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)		
9%	Small Business Direct Install	9,260	-716	-7%	-941	-9%	
10%	Large Commercial New Construction	10,481	-2,108	-17%	386	4%	
43%	Large Commercial Retrofit	46,640	5,508	13%	8,046	21%	
62%	C&I Total	66,381	2,684	4%	7,491	13%	
2%	Single Family - Income Eligible Services	2,436	-878	-26%	-380	-14%	
1%	Income Eligible Multifamily	1,298	-239	-16%	84	7%	
3%	Income Eligible Total	3,734	-1,117	-23%	-296	-7%	
1%	Residential New Construction	779	-88	-10%	0	0%	
4%	ENERGY STAR® HVAC	4,175	-445	-10%	-201	-5%	
3%	EnergyWise	3,147	359	13%	140	5%	
1%	EnergyWise Multifamily	680	-744	-52%	49	8%	
23%	Home Energy Reports	24,350	-2,503	-9%	-5,299	-18%	
0%	ENERGY STAR® Lighting	0	0		0		
4%	Residential Consumer Products	4,473	-2,412	-35%	-1,377	-24%	
35%	Residential Total	37,603	-5,832	-13%	-6,688	-15%	
100%	Portfolio Total	107,717	-4,266	-4%	507	0%	



Electric Budget

IMPLEMENTATION BUDGET

% of 2023 Portfolio	Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
7%	Small Business Direct Install	\$7,764,876	-\$1,118,414	-13%	\$565,643	8%
8%	Large Commercial New Construction	\$8,469,282	-\$564,864	-6%	-\$1,784,980	-17%
25%	Large Commercial Retrofit	\$26,206,398	\$1,195,849	5%	-\$1,486,608	-5%
2%	C&I Financing	\$2,000,000	\$0	0%	\$0	0%
0%	Community Based Initiatives - C&I	\$93,461	\$8,496	10%	\$0	0%
0%	Commercial Pilots	\$0	\$0		\$0	
5%	Commercial ConnectedSolutions	\$5,544,066	\$1,150,454	26%	-\$1,959,264	-26%
0%	Commercial Workforce Development	\$157,500	\$0	0%	\$0	0%
48%	C&I Total	\$50,235,583	\$671,521	1%	-\$4,665,209	-8%
13%	Single Family - Income Eligible Services	\$13,731,995	\$456,671	3%	\$172,189	1%
3%	Income Eligible Multifamily	\$3,211,381	-\$327,568	-9%	-\$18,488	-1%
0%	Income Eligible Workforce Development	\$0	\$0		\$0	
16%	Income Eligible Total	\$16,943,376	\$129,102	1%	\$153,701	1%
2%	Residential New Construction	\$1,608,972	-\$8,006	0%	-\$77,302	-5%
5%	ENERGY STAR® HVAC	\$5,535,861	\$851,501	18%	-\$1,013,836	-15%
15%	EnergyWise	\$15,671,330	\$114,377	1%	\$651,523	4%
1%	EnergyWise Multifamily	\$1,206,151	-\$2,032,157	-63%	-\$676,601	-36%
2%	Home Energy Reports	\$2,147,183	-\$491,954	-19%	-\$511,128	-19%
0%	ENERGY STAR® Lighting	\$0	\$0		\$0	
2%	Residential Consumer Products	\$2,494,221	-\$301,812	-11%	-\$323,804	-11%
0%	Energy Efficiency Education	\$0	\$0		\$0	
0%	Comprehensive Marketing - Residential	\$310,484	\$62,541	25%	-\$246	0%
0%	Community Based Initiatives - Residential	\$280,564	\$25,490	10%	\$0	0%
2%	Residential ConnectedSolutions	\$1,971,037	\$148,444	8%	-\$14,383	-1%
0%	Residential Pilots	\$0	\$0		\$0	
0%	Residential Workforce Development	\$0	\$0		\$0	
30%	Residential Total	\$31,225,803	-\$1,631,576	-5%	-\$1,965,779	-6%
1%	EERMC	\$850,331	\$84,086	11%	\$84,086	11%
1%	OER	\$1,145,749	-\$444,511	-28%	-\$182,946	-14%
	Rhode Island Infrastructure Bank	\$3,737,491	\$2,491	0%	\$0	0%
6%	Regulatory Total	\$5,733,572	-\$357,934	-6%	-\$98,860	-2%
100%	Portfolio Total	\$104,138,334	-\$1,188,886	-1%	-\$6,576,146	-6%



Electric Lifetime Cost to Achieve (\$/kWh)

\$/LIFETIME kWh

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
		Value	%	Value	%
Small Business Direct Install	\$0.13	\$0.00	-3%	\$0.02	19%
Large Commercial New Construction	\$0.05	\$0.01	14%	-\$0.02	-23%
Large Commercial Retrofit	\$0.07	-\$0.01	-9%	-\$0.02	-23%
C&I Total	\$0.09	\$0.00	0%	-\$0.02	-20%
Single Family - Income Eligible Services	\$0.62	\$0.27	79%	\$0.14	30%
Income Eligible Multifamily	\$0.18	\$0.04	25%	-\$0.01	-3%
Income Eligible Total	\$0.43	\$0.16	59%	\$0.06	16%
Residential New Construction	\$0.10	\$0.00	-3%	-\$0.01	-5%
ENERGY STAR® HVAC	\$0.08	\$0.02	29%	-\$0.01	-12%
EnergyWise	\$0.93	-\$0.23	-20%	-\$0.01	-1%
EnergyWise Multifamily	\$0.13	-\$0.03	-18%	-\$0.07	-36%
Home Energy Reports	\$0.09	-\$0.01	-10%	\$0.00	-2%
ENERGY STAR® Lighting					
Residential Consumer Products	\$0.08	\$0.02	34%	\$0.01	15%
Residential Total	\$0.18	\$0.02	13%	\$0.01	4%
Portfolio Total	\$0.13	\$0.01	5%	-\$0.02	-12%



Electric Annual Cost to Achieve (\$/kWh)

\$/ANNUAL kWh

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
Small Business Direct Install	\$0.84	-\$0.05	-6%	\$0.13	19%
Large Commercial New Construction	\$0.81	\$0.09	13%	-\$0.21	-20%
Large Commercial Retrofit	\$0.56	-\$0.05	-8%	-\$0.16	-22%
C&I Total	\$0.76	-\$0.02	-3%	-\$0.18	-19%
Single Family - Income Eligible Services	\$5.64	\$1.63	41%	\$0.82	17%
Income Eligible Multifamily	\$2.47	\$0.17	7%	-\$0.19	-7%
Income Eligible Total	\$4.54	\$1.07	31%	\$0.37	9%
Residential New Construction	\$2.07	\$0.20	11%	-\$0.10	-5%
ENERGY STAR® HVAC	\$1.33	\$0.31	31%	-\$0.17	-11%
EnergyWise	\$4.98	-\$0.60	-11%	-\$0.02	0%
EnergyWise Multifamily	\$1.77	-\$0.50	-22%	-\$1.21	-41%
Home Energy Reports	\$0.09	-\$0.01	-10%	\$0.00	-2%
ENERGY STAR® Lighting					
Residential Consumer Products	\$0.56	\$0.15	37%	\$0.08	16%
Residential Total	\$0.83	\$0.07	10%	\$0.08	11%
Portfolio Total	\$0.97	\$0.03	3%	-\$0.07	-6%


















Electric Portfolio Net Benefits

Electric Total Benefits

% of 2022 Portfolio	Program	2023 (1st Draft) - Net Benefits	2023 (2nd Draft) - Net Benefits	2023 (2nd Draft) Compared to 2023 (1st Draft)	
				2023 (2nd Draft) Net Benefits	% Change
5%	Small Business Direct Install	\$2,983,230	\$10,900,035	\$7,916,805	265%
13%	Large Commercial New Construction	\$17,982,417	\$43,433,693	\$25,451,275	142%
33%	Large Commercial Retrofit	\$46,198,667	\$80,329,306	\$34,130,639	74%
6%	Commercial ConnectedSolutions	\$6,175,100	\$6,776,014	\$600,913	10%
56%	C&I Total	\$73,339,414	\$141,439,047	\$68,099,633	93%
10%	Single Family - Income Eligible Services	\$8,797,764	\$17,919,709	\$9,121,946	104%
2%	Income Eligible Multifamily	\$986,868	\$2,168,302	\$1,181,434	120%
12%	Income Eligible Total	\$9,784,632	\$20,088,011	\$10,303,380	105%
2%	Residential New Construction	\$3,700,101	\$6,622,109	\$2,922,008	79%
10%	ENERGY STAR® HVAC	\$16,170,307	\$22,219,528	\$6,049,221	37%
9%	EnergyWise	\$4,285,666	\$16,881,061	\$12,595,395	294%
1%	EnergyWise Multifamily	\$1,422,614	\$3,509,109	\$2,086,495	147%
3%	Home Energy Reports	\$4,418,293	\$5,059,171	\$640,878	15%
0%	ENERGY STAR® Lighting	\$0	\$0	\$0	
	Residential Consumer Products	\$6,380,034	\$8,158,982	\$1,778,949	28%
2%	Residential ConnectedSolutions	\$1,517,595	\$1,082,173	-\$435,422	-29%
32%	Residential Total	\$37,894,610	\$63,532,133	\$25,637,523	68%
100%	Portfolio Total	\$121,018,656	\$225,059,192	\$104,040,536	86%



Gas Lifetime MMBtus

		LIFETIME MMBtus					
% of 2023 Portfolio		Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
	20%	Large Commercial New Construction	652,640	-136,123	-17%	144,679	28%
	29%	Large Commercial Retrofit	922,290	-410,219	-31%	-3,149	0%
	4%	Small Business Direct Install	130,193	38,494	42%	65,672	102%
	2%	Commercial & Industrial Multifamily	64,645	-66,575	-51%	4,487	7%
	55%	C&I Total	1,769,769	-574,423	-25%	211,690	14%
	5%	Single Family - Income Eligible Services	169,180	-49,667	-23%	0	0%
	5%	Income Eligible Multifamily	172,464	-100,621	-37%	-24,055	-12%
	11%	Income Eligible Total	341,644	-150,288	-31%	-24,055	-7%
	14%	Energy Star® HVAC	455,168	15,451	4%	-61,502	-12%
	12%	EnergyWise	402,653	-75,897	-16%	-64,702	-14%
	3%	EnergyWise Multifamily	110,428	-36,636	-25%	-24,296	-18%
	3%	Home Energy Reports	91,640	-1,907	-2%	17,395	23%
	2%	Residential New Construction	58,476	-6,423	-10%	-4,523	-7%
	35%	Residential Total	1,118,366	-105,413	-9%	-137,628	-11%
	100%	Portfolio Total	3,229,779	-830,123	-20%	50,007	2%



Gas Annual MMBtus

ANNUAL MMBtus

% of 2023 Portfolio	Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
			Change	% Change	Change	% Change
15%	Large Commercial New Construction	45,619	-7,337	-14%	10,812	31%
27%	Large Commercial Retrofit	82,463	-60,425	-42%	2,049	3%
3%	Small Business Direct Install	9,723	3,610	59%	4,035	71%
1%	Commercial & Industrial Multifamily	4,249	-4,554	-52%	299	8%
46%	C&I Total	142,054	-68,706	-33%	17,195	14%
3%	Single Family - Income Eligible Services	8,230	-2,712	-25%	0	0%
4%	Income Eligible Multifamily	11,075	-3,625	-25%	-1,577	-12%
6%	Income Eligible Total	19,305	-6,337	-25%	-1,577	-8%
9%	Energy Star® HVAC	27,030	289	1%	-3,661	-12%
7%	EnergyWise	20,697	-152	-1%	972	5%
2%	EnergyWise Multifamily	5,358	-2,921	-35%	-1,107	-17%
30%	Home Energy Reports	91,640	-1,907	-2%	17,395	23%
1%	Residential New Construction	3,287	-323	-9%	-189	-5%
48%	Residential Total	148,013	-5,014	-3%	13,411	10%
100%	Portfolio Total	309,373	-80,057	-21%	29,028	10%



Gas Budget

IMPLEMENTATION BUDGET

% of 2023 Portfolio	Program	2023 (2nd Draft)	2023 (2nd Draft Compared to 2020 Actuals)		2023 (2nd Draft Compared to 2021 Actuals)		2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
8%	Large Commercial New Construction	\$2,738,478	\$12,478	0%	\$168,778	7%	-\$448,106	-14%	\$236,043	9%
13%	Large Commercial Retrofit	\$4,745,760	\$1,715,060	57%	\$1,467,660	45%	\$49,456	1%	-\$550,019	-10%
2%	Small Business Direct Install	\$691,708	\$557,608	416%	\$533,008	336%	\$335,823	94%	\$330,846	92%
2%	Commercial & Industrial Multifamily	\$893,316	\$559,816	168%	-\$58,084	-6%	-\$63,948	-7%	\$133,987	18%
0%	Comprehensive Marketing - Commercial and Industrial	\$0	\$0		\$0		\$0		\$0	
0%	Commercial Pilots	\$12,422	-\$84,478	-87%	-\$93,078	-88%	-\$203,358	-94%	-\$255,620	-95%
0%	Finance Costs	\$0	-\$500,000	-100%	\$0		\$0		\$0	
0%	Community Based Initiatives - C&I	\$31,154	\$31,154		\$31,154		\$2,832	10%	\$0	0%
3%	RIIB	\$1,262,509	\$1,262,509		\$1,262,509		\$1,262,509		\$0	0%
0%	Commercial Workforce Development	\$67,500	\$67,500		\$67,500		\$0	0%	\$0	0%
29%	C&I Total	\$10,442,847	\$3,621,647	53%	\$3,379,447	48%	\$935,208	10%	-\$104,763	-1%
15%	Single Family - Income Eligible Services	\$5,434,060	\$3,212,160	145%	\$1,477,660	37%	-\$937,705	-15%	-\$25,908	0%
9%	Income Eligible Multifamily	\$3,219,824	\$1,413,024	78%	\$455,224	16%	\$270,879	9%	-\$458,824	-12%
0%	Income Eligible Workforce Development	\$0	\$0		\$0		\$0		\$0	
24%	Income Eligible Total	\$8,653,884	\$4,625,184	115%	\$1,932,884	29%	-\$666,826	-7%	-\$484,732	-5%
10%	Energy Star® HVAC	\$3,591,050	-\$5,333,550	-60%	\$955,750	36%	-\$141,414	-4%	-\$583,601	-14%
27%	EnergyWise	\$9,941,590	\$7,420,490	294%	-\$6,285,610	-39%	\$1,295,660	15%	\$7,414	0%
4%	EnergyWise Multifamily	\$1,487,356	\$827,656	125%	-\$120,844	-8%	-\$1,799	0%	-\$40,007	-3%
1%	Home Energy Reports	\$359,189	-\$7,311	-2%	-\$41,111	-10%	-\$82,639	-19%	-\$86,378	-19%
2%	Residential New Construction	\$621,150	\$184,550	42%	\$223,550	56%	\$107,988	21%	-\$344,006	-36%
0%	Comprehensive Marketing - Residential	\$69,083	-\$14,317	-17%	-\$4,617	-6%	\$1,050	2%	-\$13	0%
0%	Residential Pilots	\$0	\$0		\$0		\$0		\$0	
0%	Community Based Initiatives - Residential	\$93,461	\$59,061	172%	\$55,261	145%	\$8,496	10%	\$0	0%
0%	Residential Workforce Development	\$0	\$0		\$0		\$0		\$0	
45%	Residential Total	\$16,162,880	\$3,136,580	24%	-\$5,217,620	-24%	\$1,187,344	8%	-\$1,046,592	-6%
1%	EERMC	\$283,444	-\$77,156	-21%	\$43,144	18%	-\$204,348	-42%	\$23,926	9%
2%	OER	\$612,746	\$251,546	70%	\$337,646	123%	-\$118,941	-16%	\$16,730	3%
2%	Regulatory Total	\$896,190	\$174,390	24%	\$380,790	74%	-\$323,289	-27%	\$40,656	5%
100%	Portfolio Total	\$36,155,801	\$11,557,801	47%	\$475,501	1%	\$1,132,437	3%	-\$1,595,431	-4%



Gas Lifetime Cost to Achieve (\$/MMBtu)

\$/LIFETIME MMBtu

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
Large Commercial New Construction	\$4.20	\$0.16	4%	-\$0.73	-15%
Large Commercial Retrofit	\$5.15	\$1.62	46%	-\$0.58	-10%
Small Business Direct Install	\$5.31	\$1.43	37%	-\$0.28	-5%
Commercial & Industrial Multifamily	\$13.82	\$6.52	89%	\$1.20	9%
C&I Total	\$5.90	\$1.84	45%	-\$0.87	-13%
Single Family - Income Eligible Services	\$32.12	\$3.00	10%	-\$0.15	0%
Income Eligible Multifamily	\$18.67	\$7.87	73%	-\$0.05	0%
Income Eligible Total	\$25.33	\$6.38	34%	\$0.34	1%
Energy Star® HVAC	\$7.89	-\$0.60	-7%	-\$0.19	-2%
EnergyWise	\$24.69	\$6.62	37%	\$3.43	16%
EnergyWise Multifamily	\$13.47	\$3.34	33%	\$2.13	19%
Home Energy Reports	\$3.92	-\$0.80	-17%	-\$2.08	-35%
Residential New Construction	\$10.62	\$2.72	34%	-\$4.70	-31%
Residential Total	\$14.45	\$2.22	18%	\$0.75	5%
Portfolio Total	\$11.19	\$2.57	30%	-\$0.68	-6%



Gas Annual Cost to Achieve (\$/MMBtu)

\$/ANNUAL MMBtu

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
Large Commercial New Construction	\$60.03	-\$0.15	0%	-\$11.86	-17%
Large Commercial Retrofit	\$57.55	\$24.68	75%	-\$8.31	-13%
Small Business Direct Install	\$71.14	\$12.93	22%	\$7.70	12%
Commercial & Industrial Multifamily	\$210.25	\$101.51	93%	\$18.00	9%
C&I Total	\$73.51	\$28.40	63%	-\$10.96	-13%
Single Family - Income Eligible Services	\$660.25	\$77.95	13%	-\$3.15	0%
Income Eligible Multifamily	\$290.73	\$90.12	45%	-\$0.03	0%
Income Eligible Total	\$448.26	\$84.77	23%	\$10.64	2%
Energy Star® HVAC	\$132.86	-\$6.73	-5%	-\$3.17	-2%
EnergyWise	\$480.33	\$65.65	16%	-\$23.30	-5%
EnergyWise Multifamily	\$277.58	\$97.71	54%	\$41.35	18%
Home Energy Reports	\$3.92	-\$0.80	-17%	-\$2.08	-35%
Residential New Construction	\$188.97	\$46.81	33%	-\$88.72	-32%
Residential Total	\$109.20	\$11.34	12%	-\$18.66	-15%
Portfolio Total	\$116.87	\$26.93	30%	-\$17.79	-13%



Gas Portfolio Net Benefits

Gas Total Benefits

% of 2022 Portfolio	Program	2023 (1st Draft) - Net Benefits	2023 (2nd Draft) - Net Benefits	2023 (2nd Draft) Compared to 2023 (1st Draft)	
				Amount	Percentage
13%	Large Commercial New Construction	\$8,617,498	\$18,658,402	\$10,040,904	117%
19%	Large Commercial Retrofit	\$11,056,504	\$21,538,960	\$10,482,456	95%
1%	Small Business Direct Install	\$915,919	\$3,015,368	\$2,099,449	229%
7%	Commercial & Industrial Multifamily	\$5,063,590	\$5,315,414	\$251,825	5%
40%	C&I Total	\$25,653,510	\$48,528,144	\$22,874,634	89%
12%	Single Family - Income Eligible Services	\$4,673,599	\$7,091,055	\$2,417,456	52%
12%	Income Eligible Multifamily	\$7,097,887	\$7,282,428	\$184,541	3%
24%	Income Eligible Total	\$11,771,485	\$14,373,482	\$2,601,997	22%
12%	Energy Star® HVAC	\$6,591,438	\$9,592,617	\$3,001,179	46%
13%	EnergyWise	\$1,004,115	\$7,508,763	\$6,504,647	648%
7%	EnergyWise Multifamily	\$4,726,636	\$5,594,860	\$868,224	18%
2%	Home Energy Reports	\$933,256	\$3,473,351	\$2,540,095	272%
2%	Residential New Construction	\$591,098	\$1,052,200	\$461,102	78%
36%	Residential Total	\$13,846,544	\$27,221,792	\$13,375,248	97%
100%	Portfolio Total	\$51,271,540	\$90,123,419	\$38,851,879	76%



Active Demand kW Savings

ConnectedSolutions (kW Active Demand)

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
		kW	%	kW	%
Commercial ConnectedSolutions	36,000	3,600.0	11%	-1,800.0	-5%
Residential ConnectedSolutions	7,900	534.9	7%	22.0	0%
Portfolio Total	43,900	4,134.9	10%	-1,778.0	-4%



Active Demand Cost to Achieve (\$/kW)

Connected Solutions (\$/kW)

Program	2023 (2nd Draft)	2023 (2nd Draft) Compared to 2022 Plan		2023 (2nd Draft) Compared to 2023 (1st Draft)	
		Value	%	Value	%
Commercial Connected Solutions	\$154.00	\$18.40	14%	-\$44.50	-22%
Residential Connected Solutions	\$249.50	\$2.03	1%	-\$2.52	-1%
Portfolio Total	\$171.19	\$14.86	10%	-\$36.54	-18%



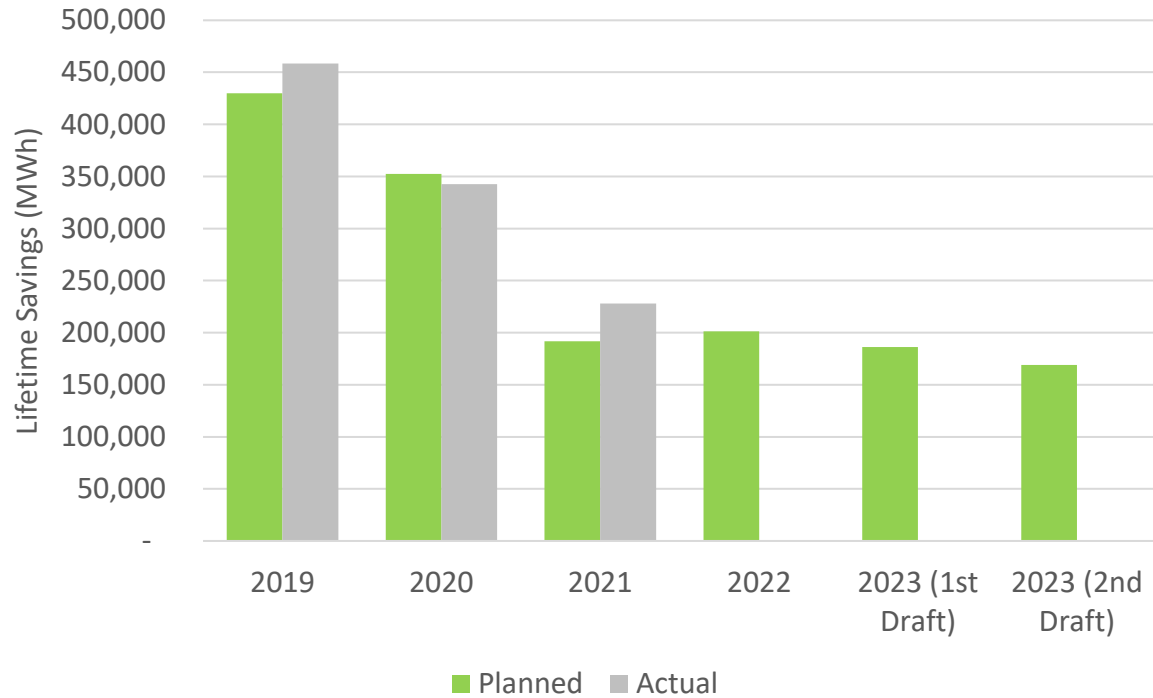
SECTOR-LEVEL DETAILS



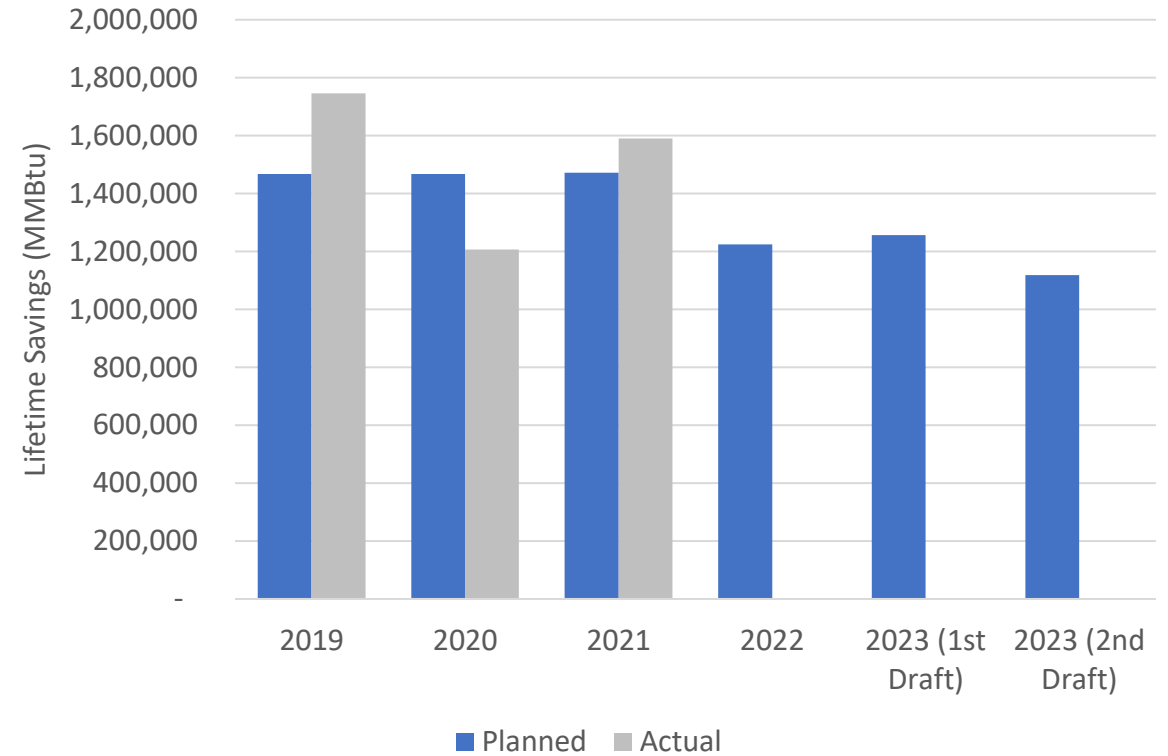


Residential Lifetime Savings

Electric Lifetime Savings (MWh) - Residential Total



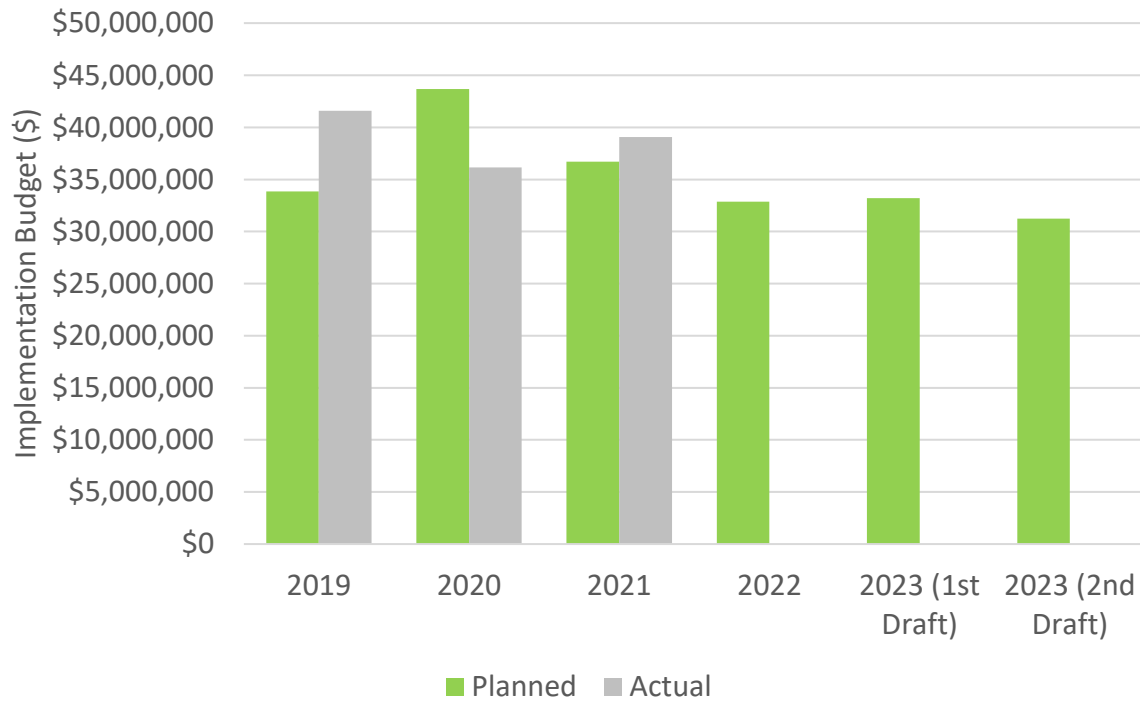
Gas Lifetime Savings (MMBtu) - Residential Total



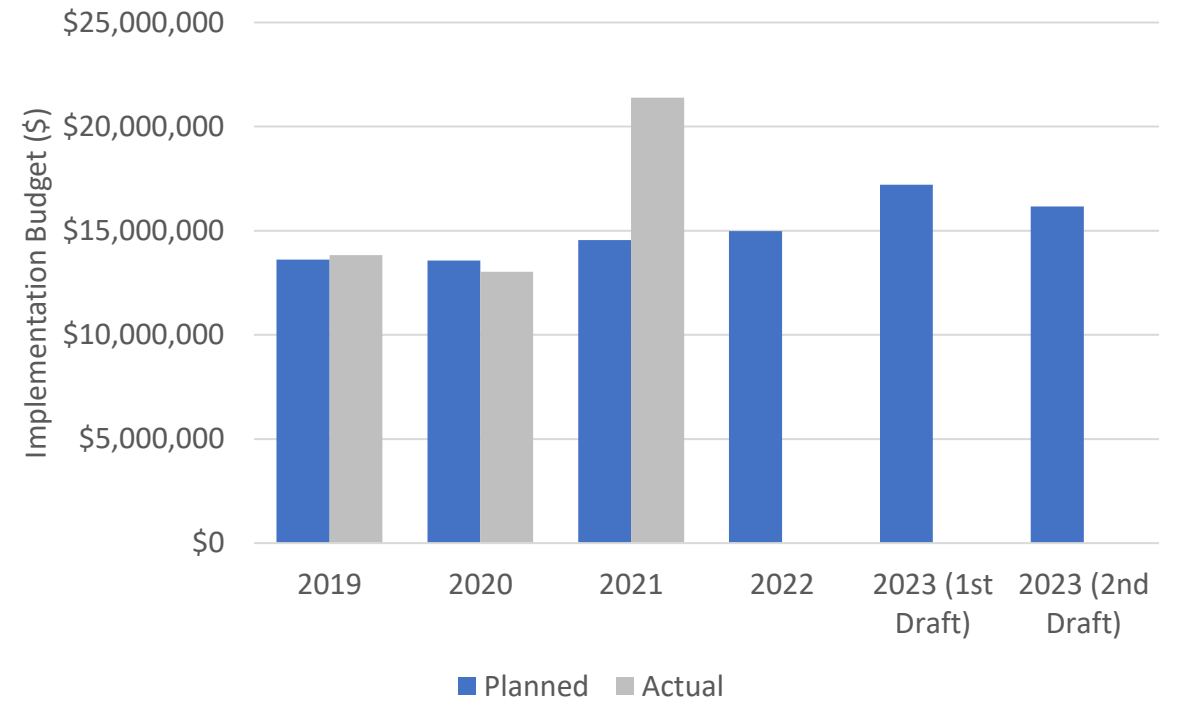


Residential Implementation Budget

Electric Implementation Budget (\$) - Residential Total



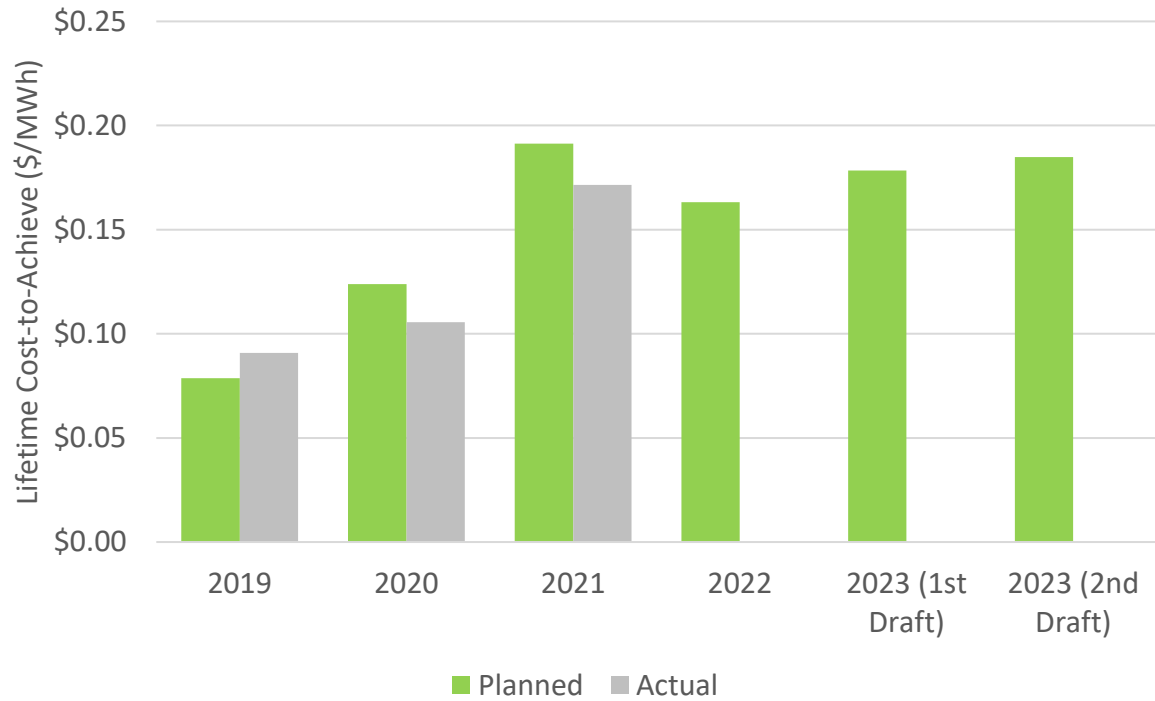
Gas Implementation Budget (\$) - Residential Total



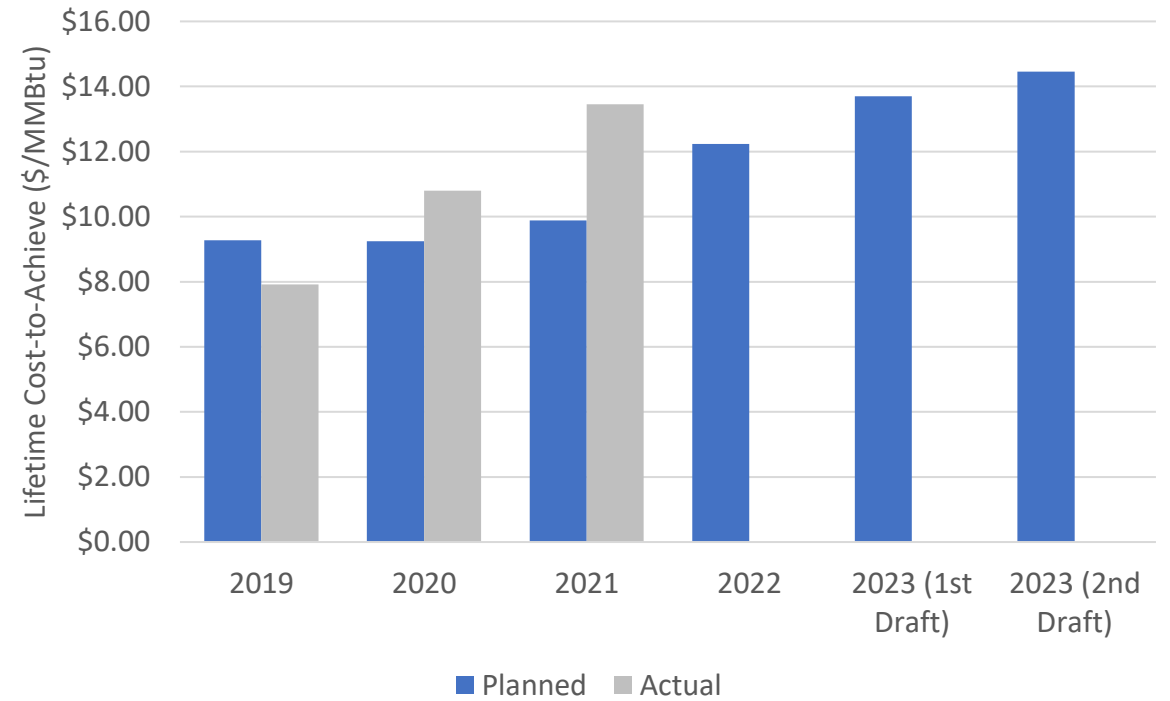


Residential Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Residential Total



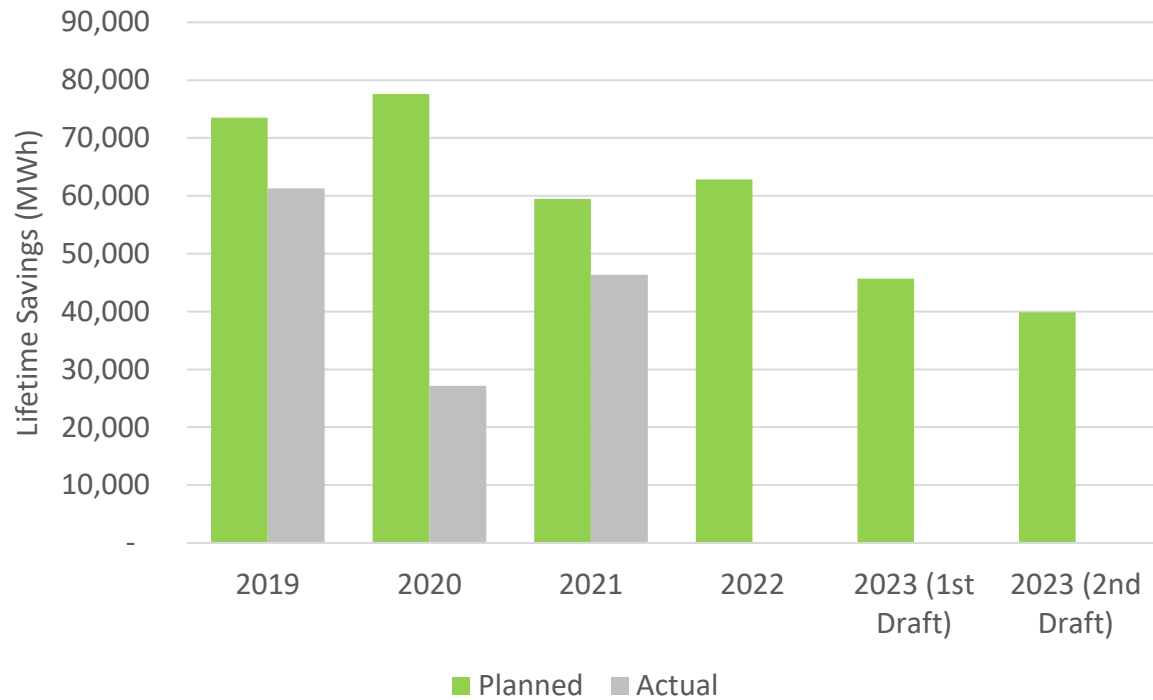
Gas Cost to Achieve (\$/Lifetime MMBtu) - Residential Total



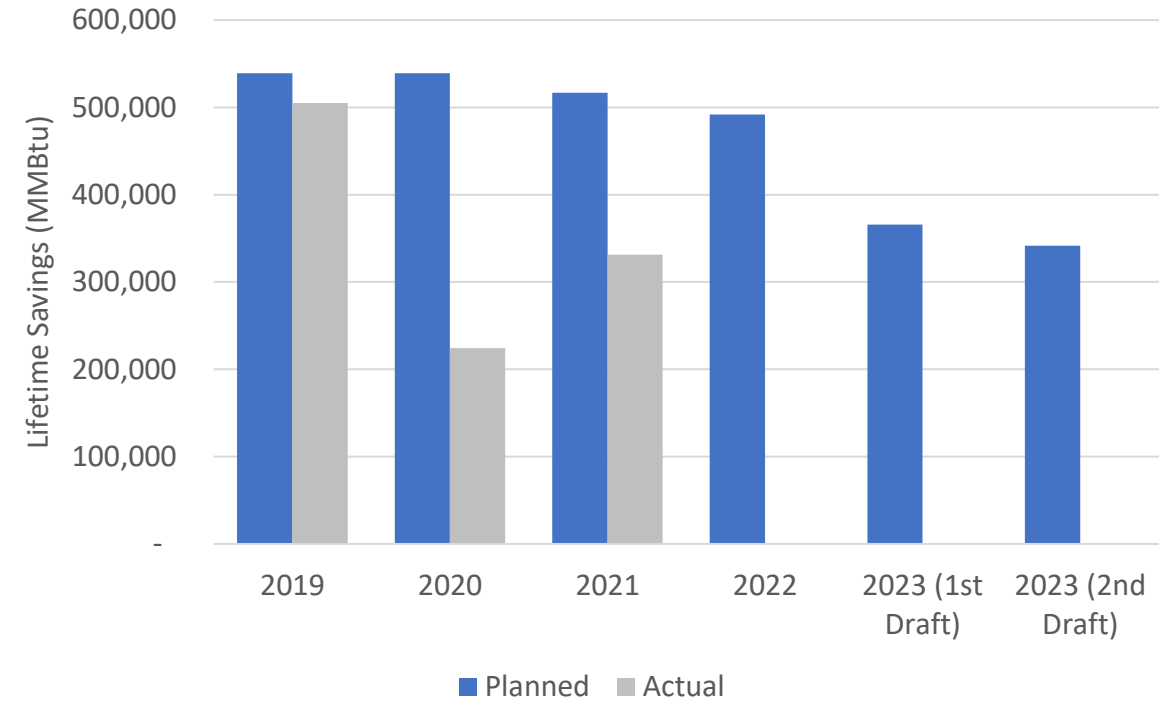


Income Eligible Lifetime Savings

Electric Lifetime Savings (MWh) - Income Eligible Total



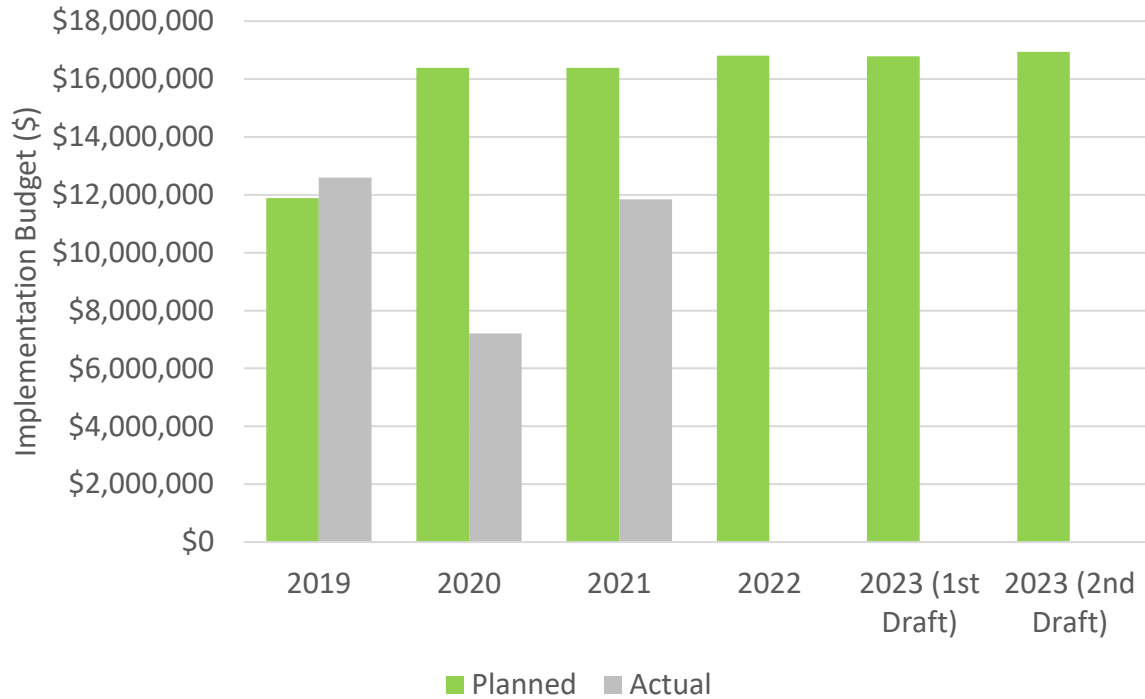
Gas Lifetime Savings (MMBtu) - Income Eligible Total



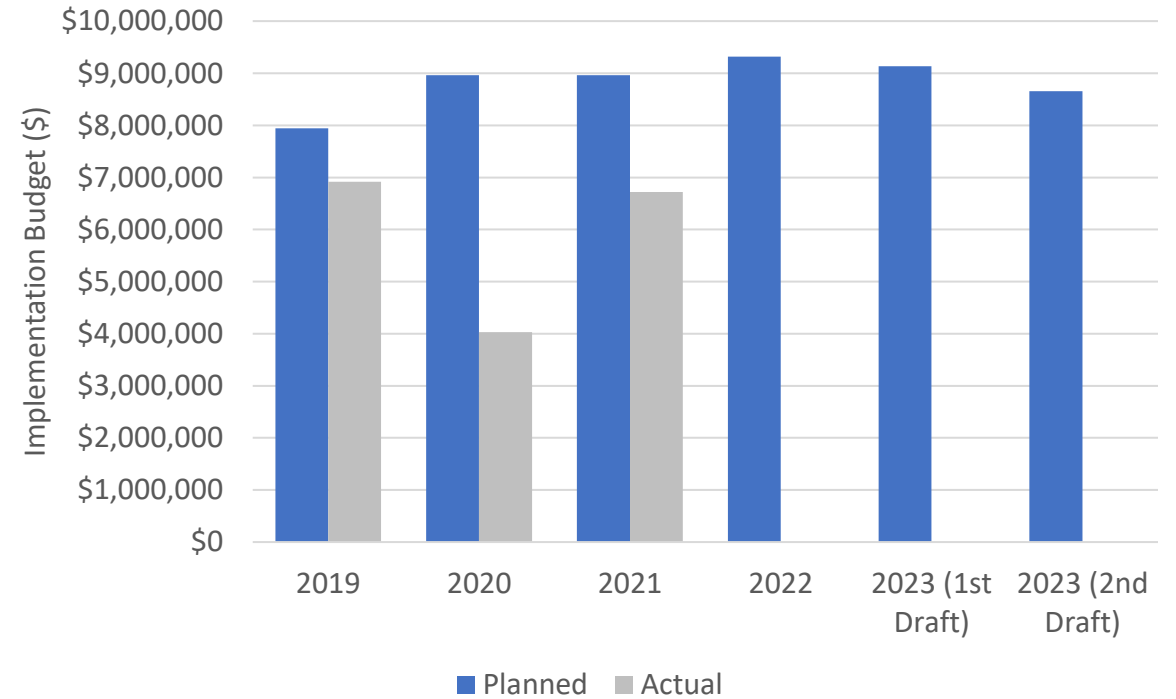


Income Eligible Implementation Budget

Electric Implementation Budget (\$) - Income Eligible Total



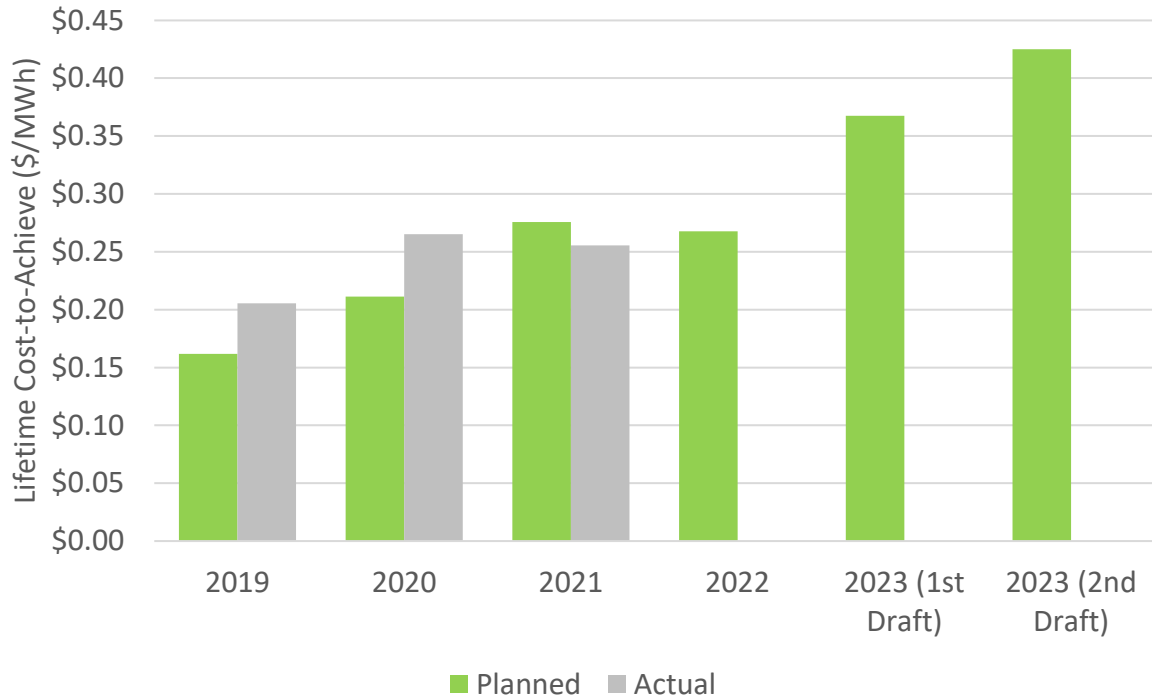
Gas Implementation Budget (\$) - Income Eligible Total



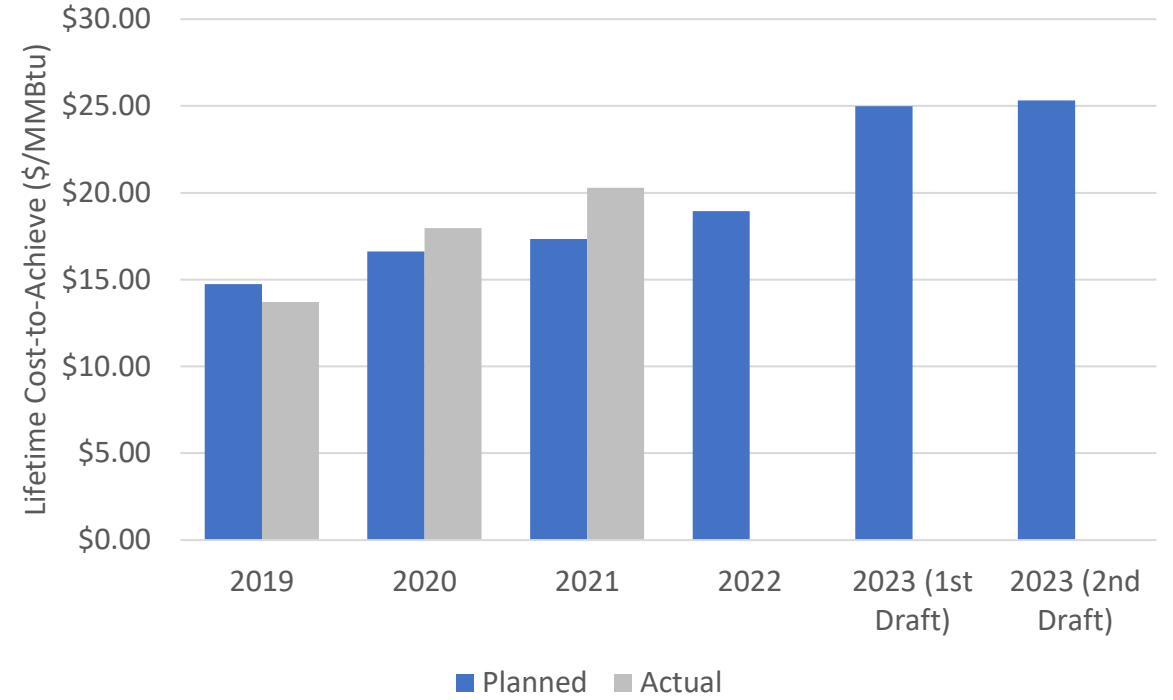


Income Eligible Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Income Eligible Total



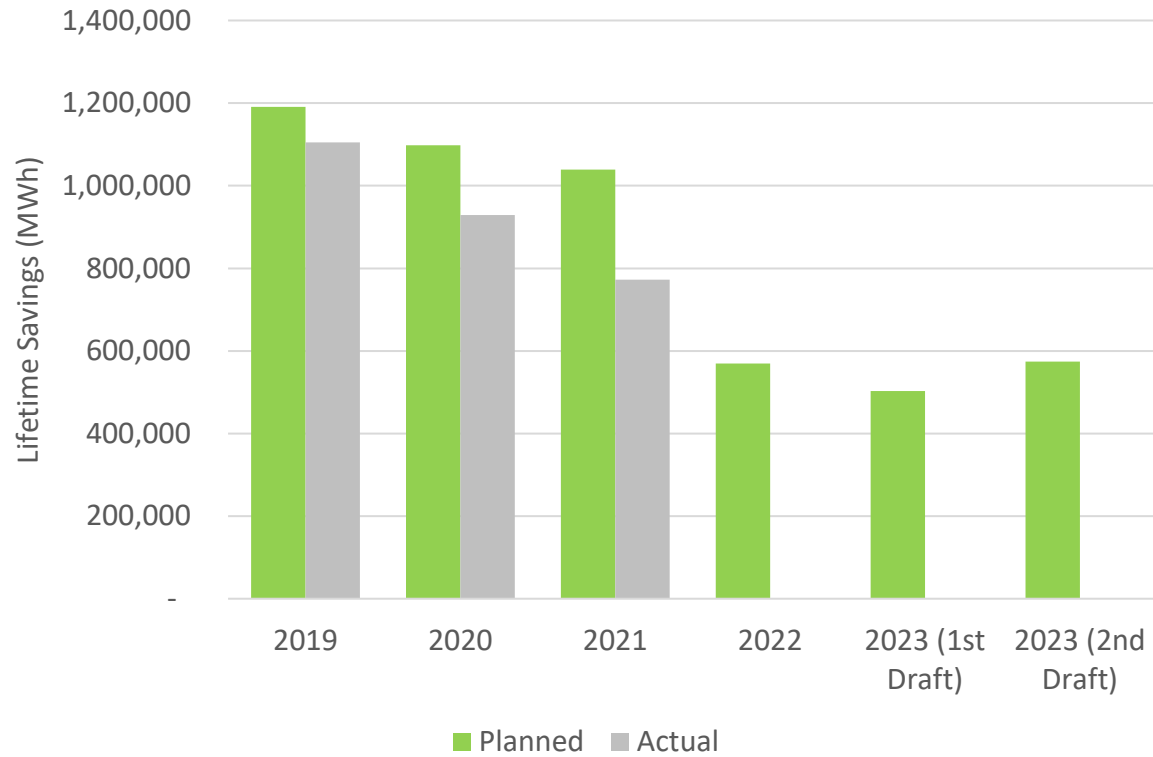
Gas Cost to Achieve (\$/Lifetime MMBtu) - Income Eligible Total



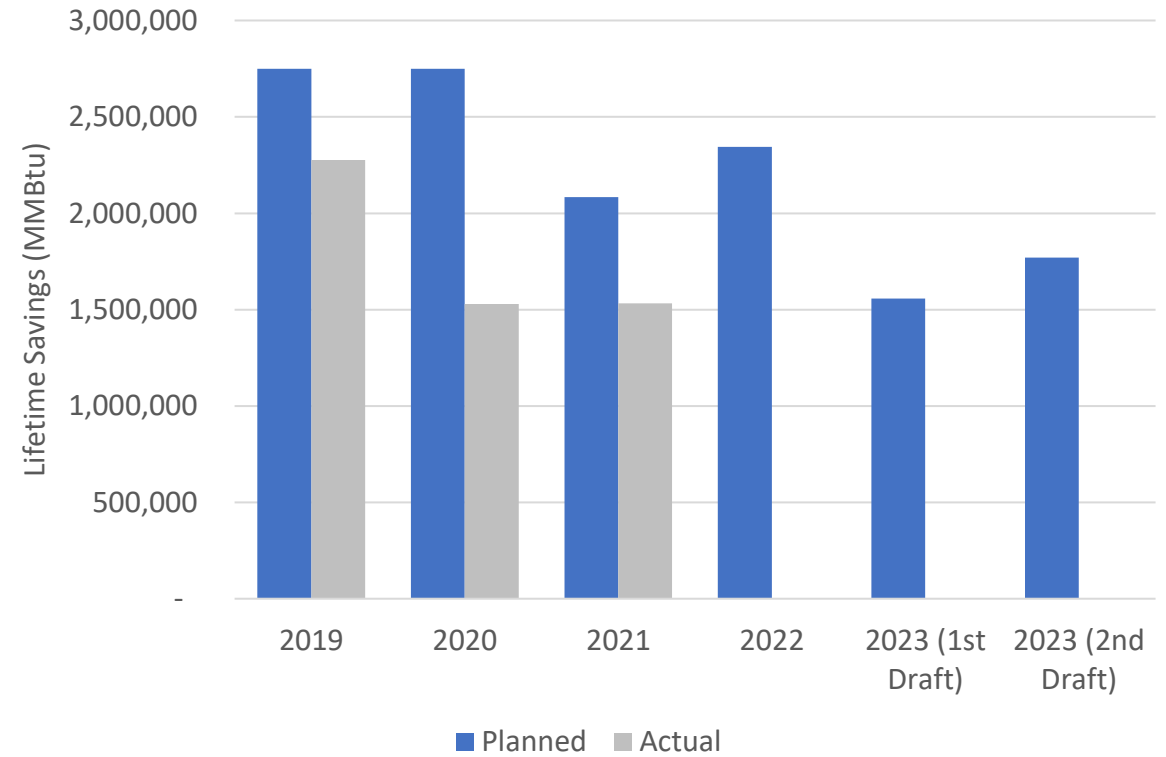


C&I Lifetime Savings

Electric Lifetime Savings (MWh) - C&I Total



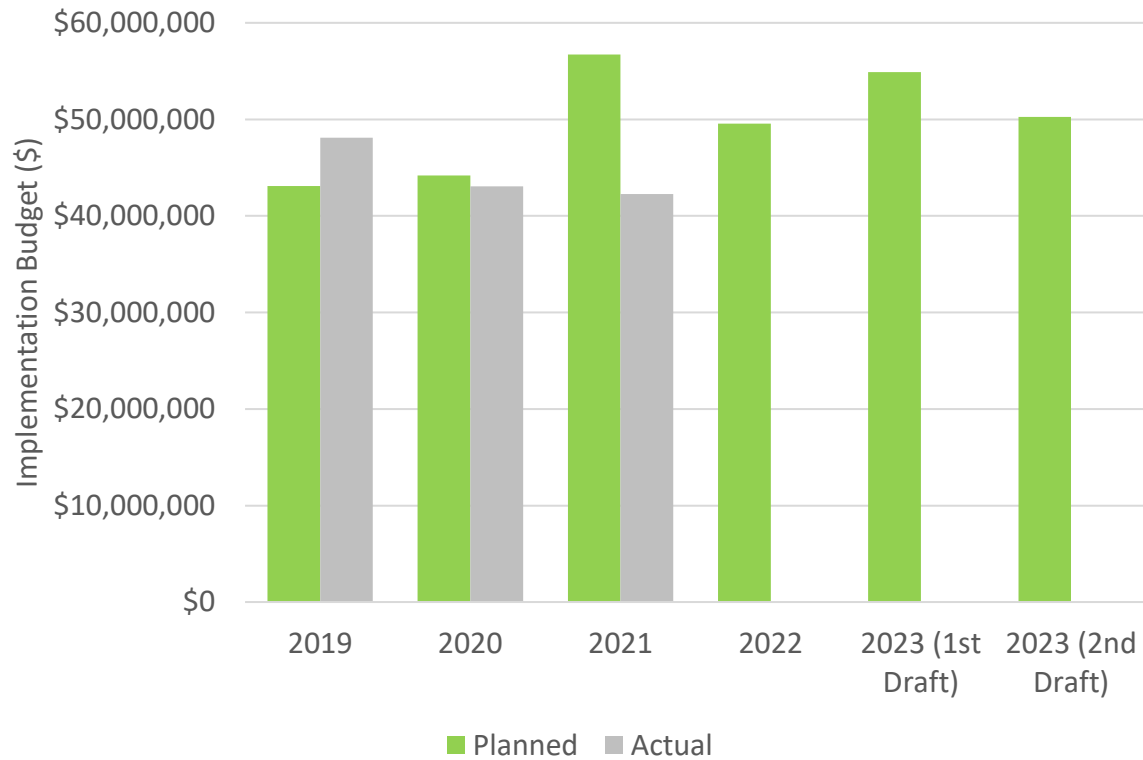
Gas Lifetime Savings (MMBtu) - C&I Total



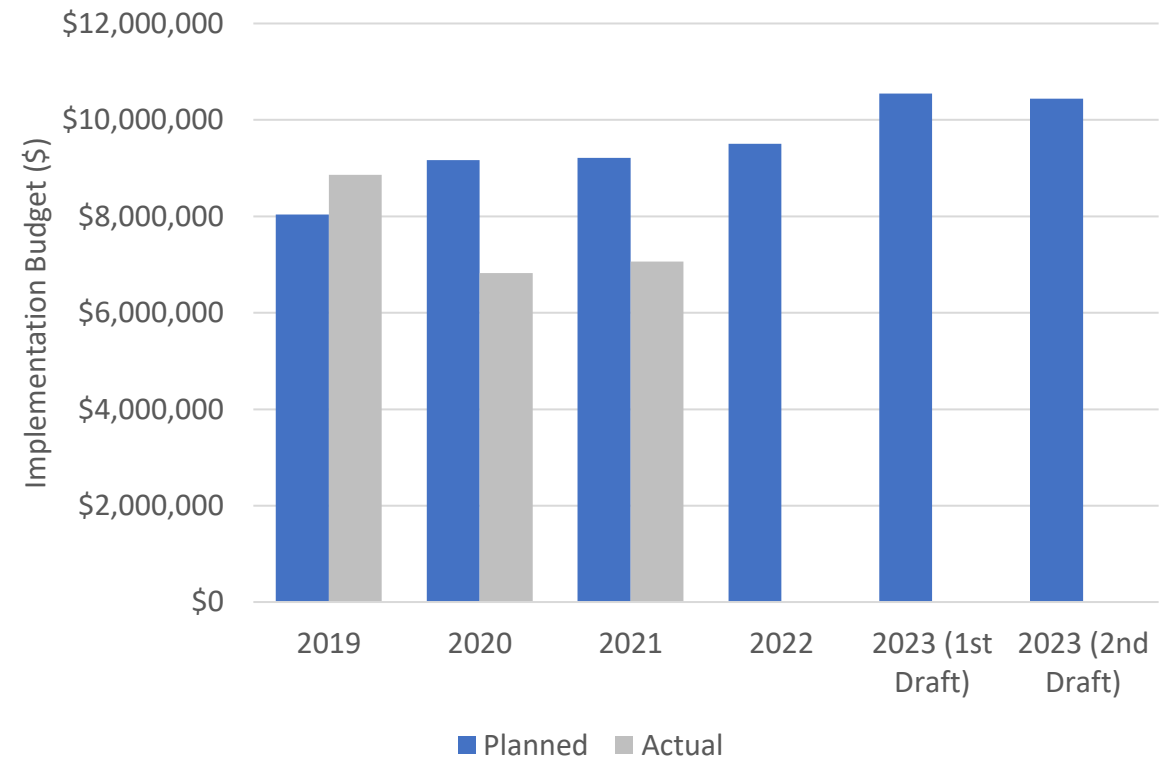


C&I Implementation Budget

Electric Implementation Budget (\$) - C&I Total



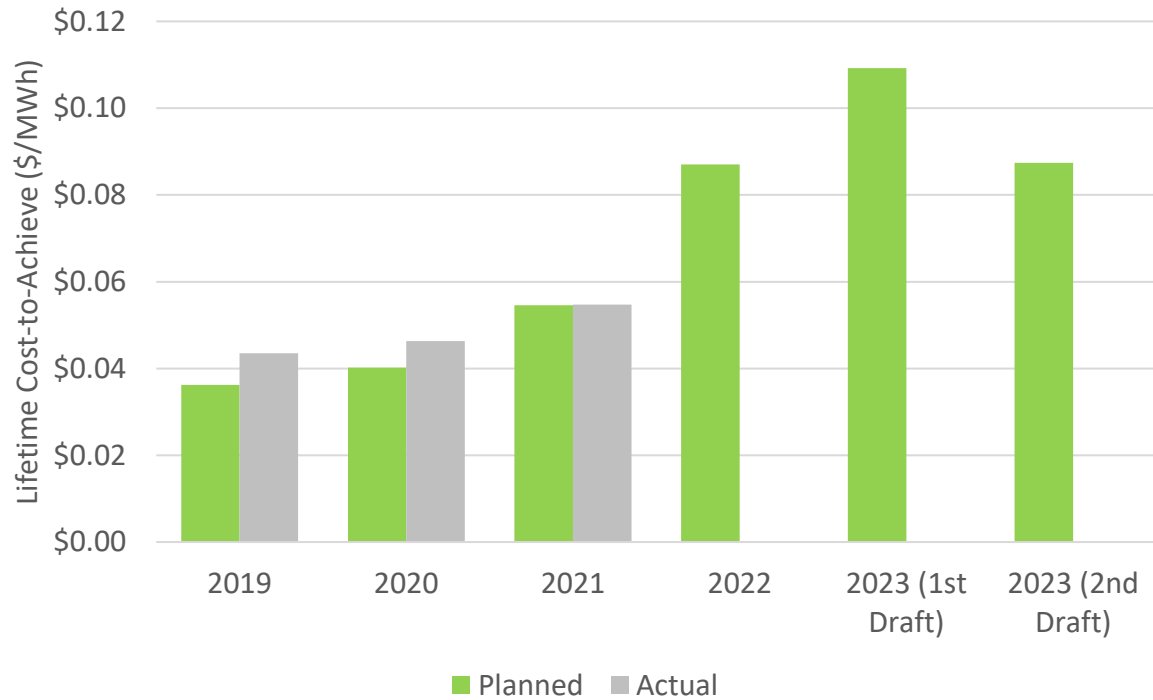
Gas Implementation Budget (\$) - C&I Total



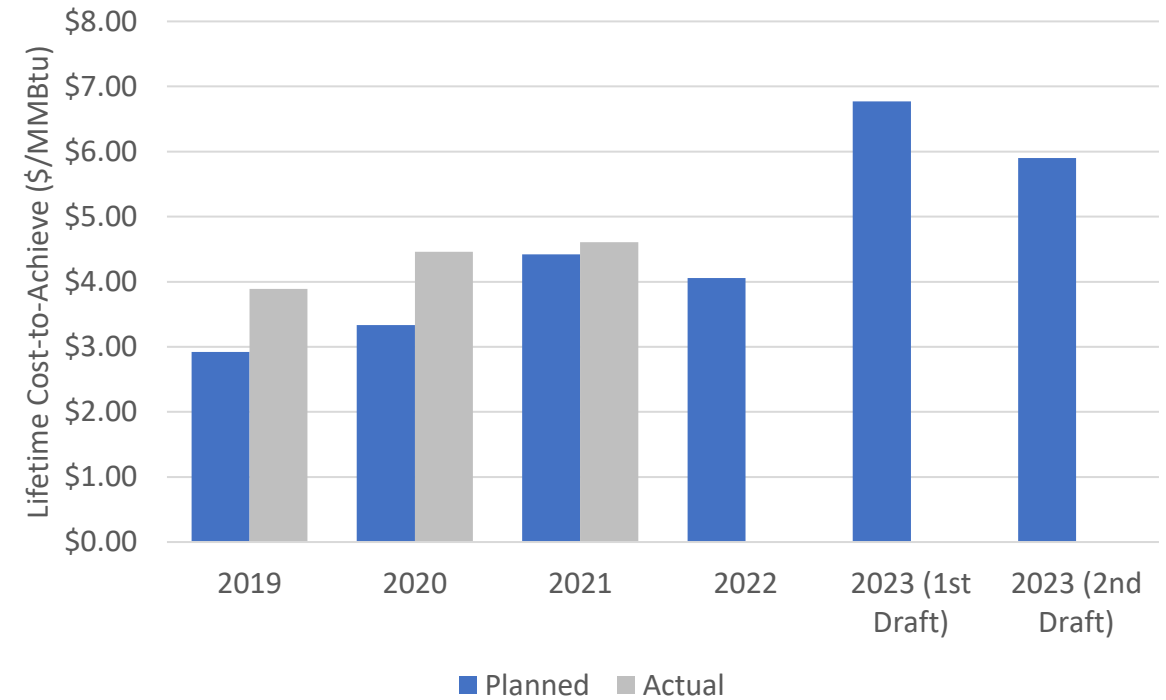


C&I Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - C&I Total



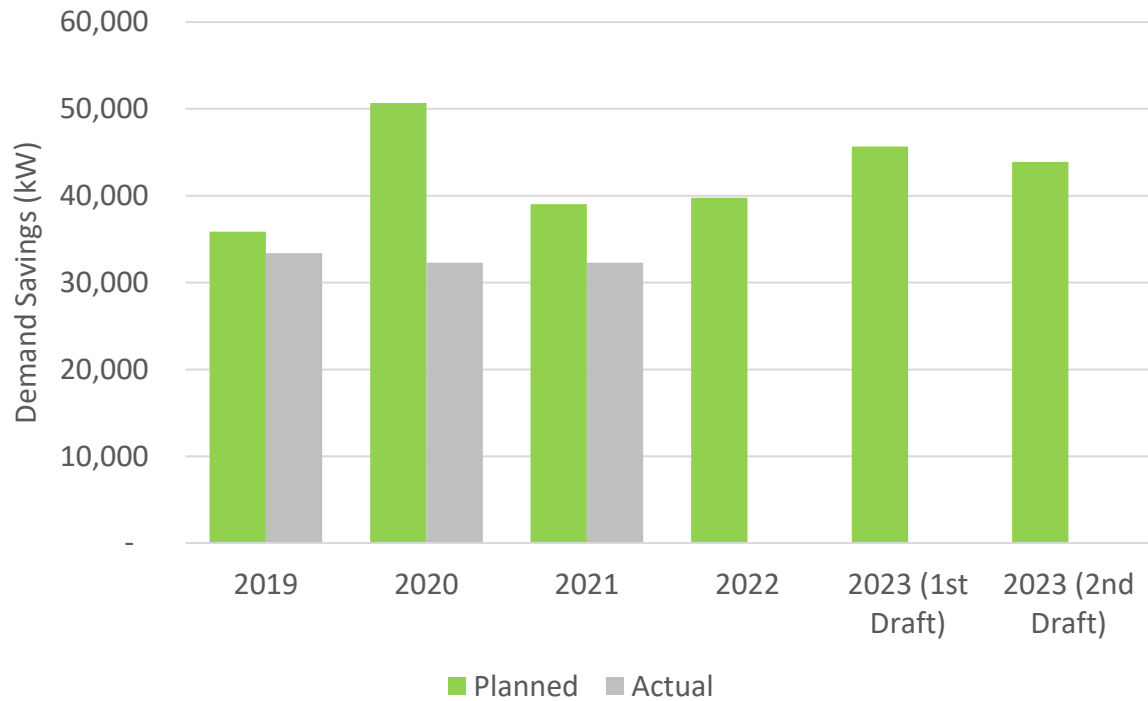
Gas Cost to Achieve (\$/Lifetime MMBtu) - C&I Total



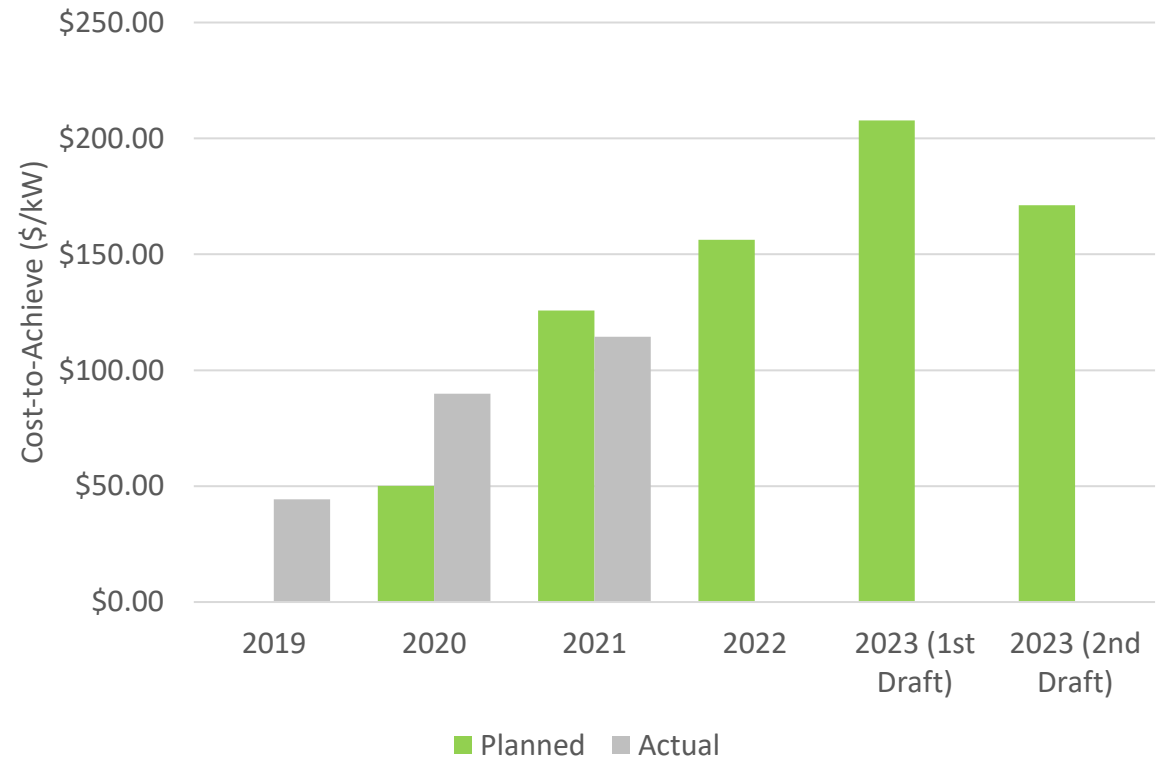


Active Demand – Electric Portfolio

Electric Demand Savings Savings (kW) - Portfolio Total



Electric Cost to Achieve (\$/kW) - Portfolio Total

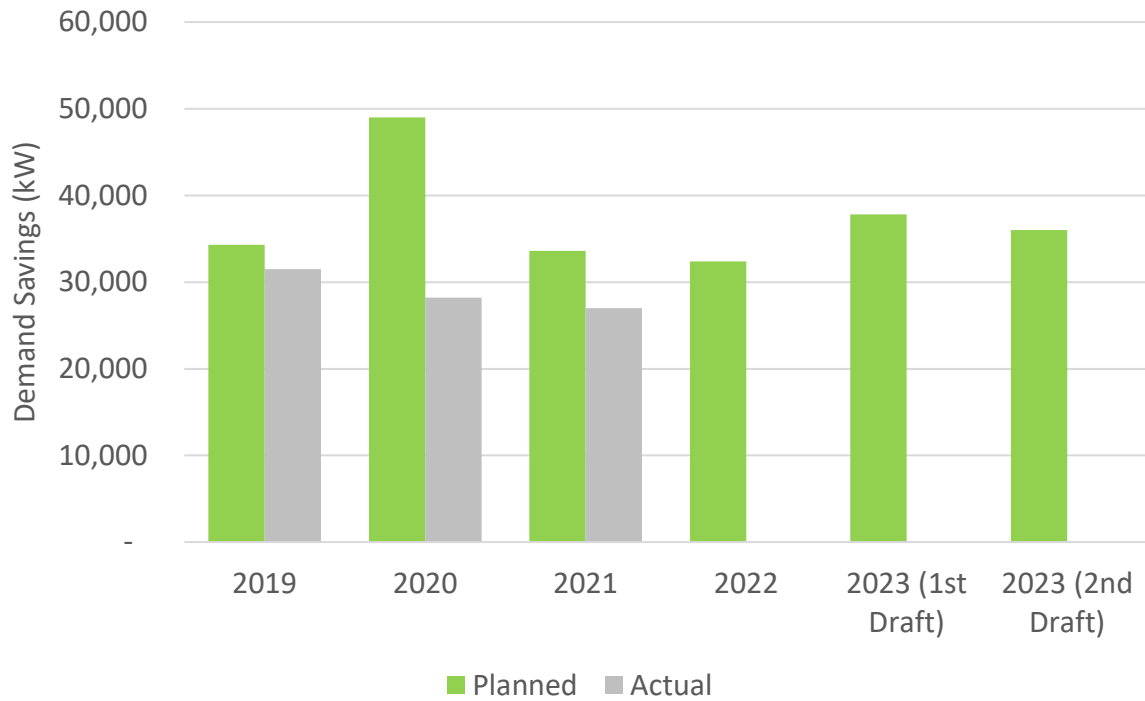




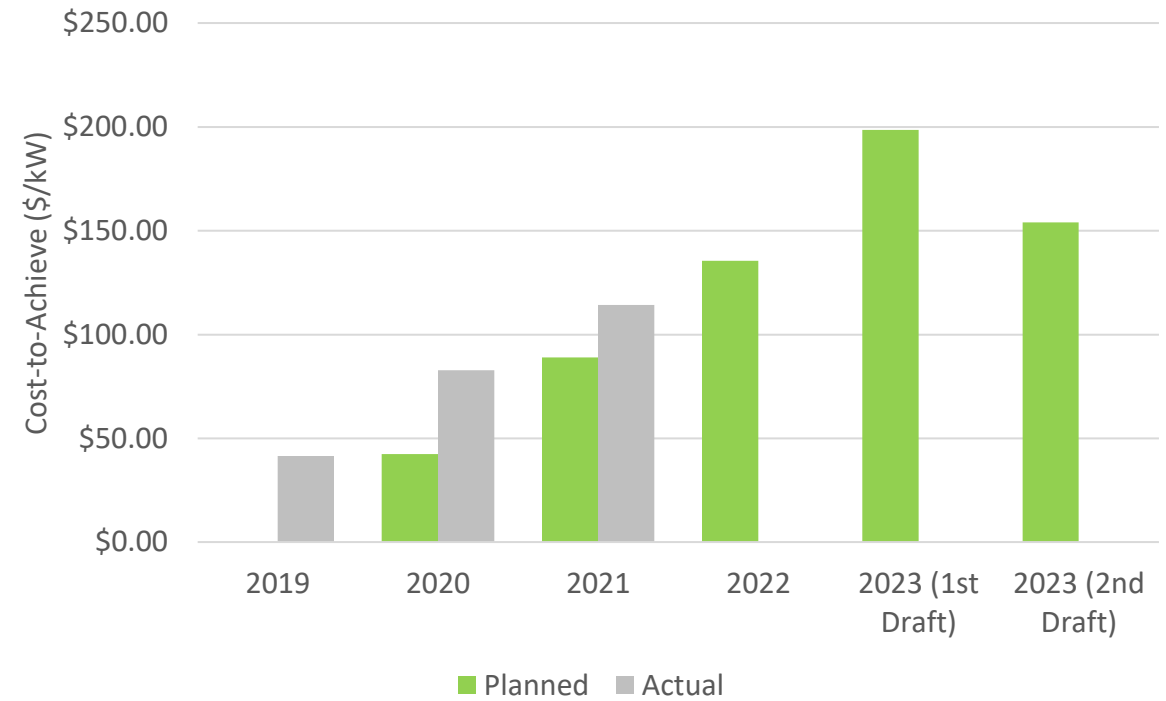
Active Demand – C&I Connected Solutions



Electric Demand Savings (kW) - Commercial Connected Solutions



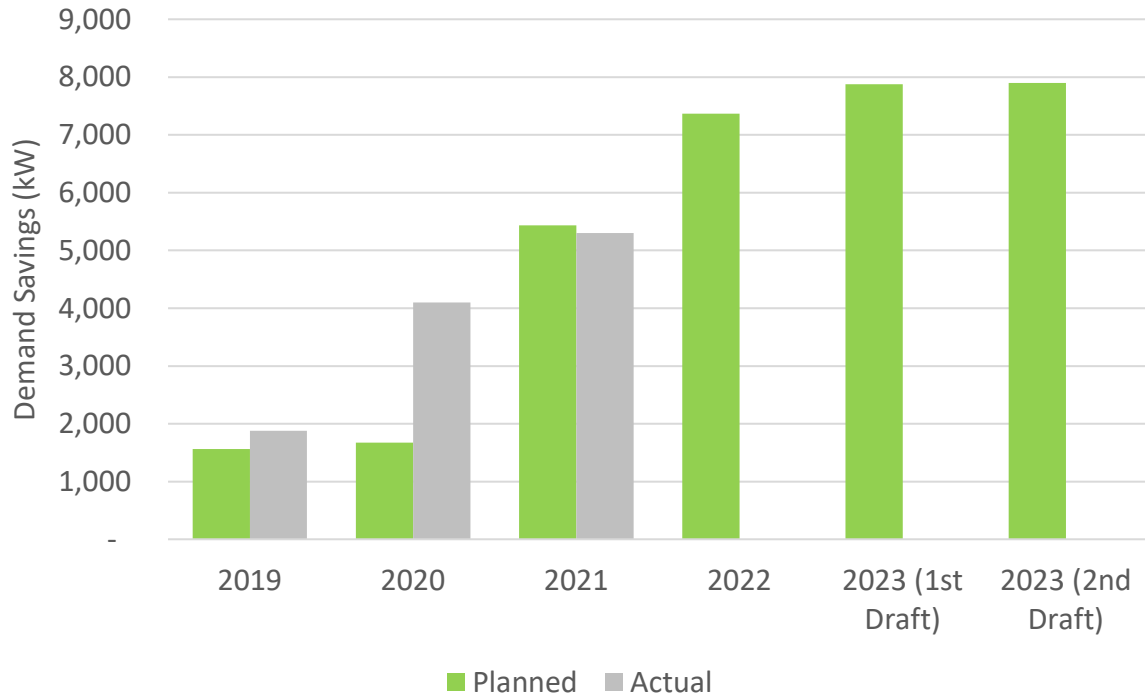
Electric Cost to Achieve (\$/kW) - Commercial Connected Solutions





Active Demand – Res Connected Solutions

Electric Demand Savings (kW) - Residential Connected Solutions



Electric Cost to Achieve (\$/kW) - Residential Connected Solutions

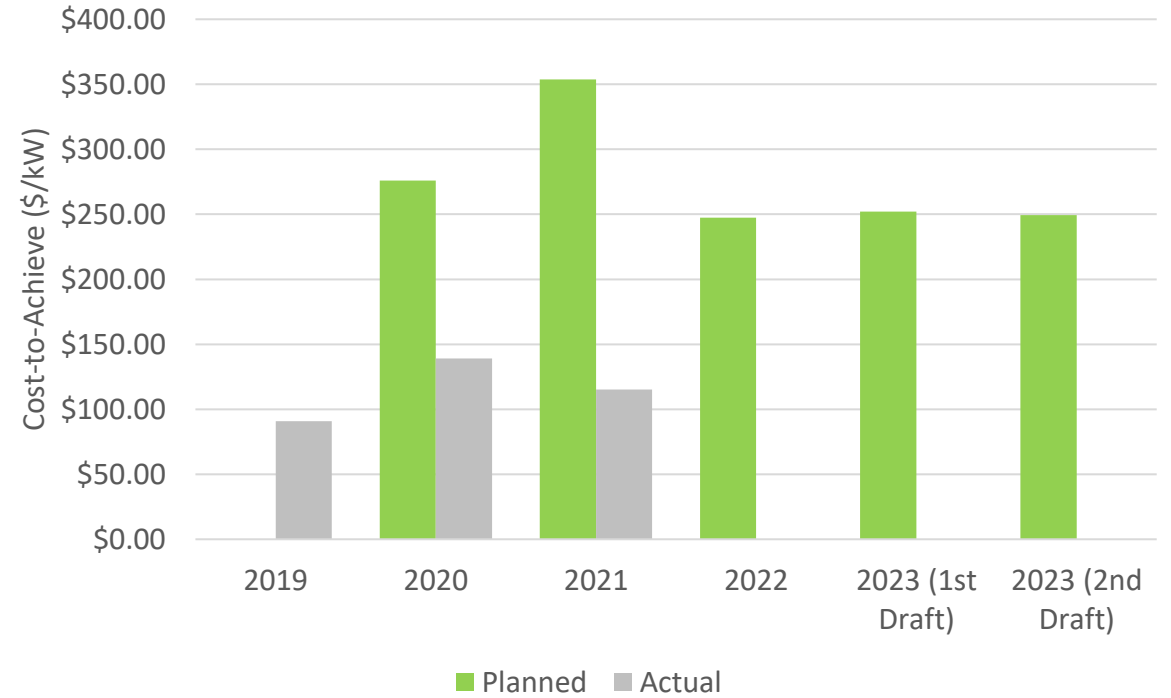


Exhibit 13



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

Thursday, September 29, 2022

Recommended Vote Language

5.b. Council Discussion and Vote on the Cost-Effectiveness Report

Key Discussion Question(s):

1. Does the report accurately answer the question: is the 2023 EE Plan cost-effective?
2. Does the report make it clear why the Plans are or are not cost-effective?
3. Is there any information that should be added to or clarified within the report?

Recommended vote language options:

1. **WITHOUT AMENDMENTS:** a motion to approve the cost-effectiveness report as currently written and to direct the Consultant to submit the report to the PUC by the October 21, 2022 deadline.
2. **WITH AMENDMENTS:** a motion to approve the cost-effectiveness report with the following amendments: [List any necessary amendments here]. And to direct the Consultant Team to submit the report to the PUC prior to the October 21, 2022 deadline.

5.f. Council Discussion & Vote on the 2023 Annual Energy Efficiency Plan

Key Discussion Question(s):

1. Does the EE Plan sufficiently address the concerns of the stakeholder groups represented by Council Members?
2. Does the EE Plan achieve the 2023 energy savings targets and adhere to the current Standards? If not, are the reasons valid and clearly described?
3. Was the EE Plan developed in a way that adheres to the Least Cost Procurement Standards and provides clear justification for how the Plan addresses those components of statute – optimally cost-effective, reliable, prudent, and environmentally responsible?
4. Does the EE Plan identify strategies and an approach to program implementation that will secure all prudent and reliable, cost-effective energy efficiency that is lower than the cost of supply? I.e., does the Plan fulfill the requirements of Least Cost Procurement?
5. Are there any adjustments to the Plan that should be made to better fulfill Least Cost Procurement (LCP) requirements?
6. Are there any adjustments to the Plan that should be made to better support the groups represented by Council Members?

Recommended vote language options:

1. A motion to endorse the 2023 Energy Efficiency Plan as presented by Rhode Island Energy to the Council on September 29, 2022, allowing for non-substantive changes (typos, etc.) to be done prior to filing.

Furthermore, the Council directs its legal Counsel to provide a signature page indicating the EERMC is a settling party to Rhode Island Energy prior to the October 1st filing deadline.

2. A motion to not endorse, at this time, the 2023 Energy Efficiency Plan as presented by Rhode Island Energy to the Council on September 29, 2022.

Furthermore, the Council directs its consultant team and legal counsel to include the reasons and submit comments on the Plan to the PUC prior to the October 1st filing deadline for their consideration in final review of the Plan.

Exhibit 14



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

Consultant Team Cost-Effectiveness Report 2023 Energy Efficiency Plan

Presented By: EERMC Consultant Team

Date: September 29, 2022



Outline

Legislative Basis for EERMC Cost-Effectiveness (CE) Report

Cost-Effectiveness Review Process

Cost-Effectiveness Finding



EERMC Cost-Effectiveness Report

The meeting materials for today include a final draft Cost-Effectiveness (CE) Report pursuant to the LCP Standards:

“ The Council shall prepare memos on its assessment of the cost effectiveness of the EE Plans, pursuant to R.I. Gen. Laws §39-1-27.7(c)(5), and submit them to the PUC no later than three weeks following the filing of the respective EE Plans with the PUC, or in accordance with the procedural schedule set in the applicable docket.

”



Setting Stage for Final CE Report

The Consultant Team set the stage for a final assessment of cost-effectiveness:

Consistent oversight of planning and implementation, e.g.:

- EE TWG and associated work streams

- Review of plan documents

- Ongoing review of monthly and quarterly data

Regular engagement in EE program design and evaluation work, e.g.:

- Sector Team, EM&V meetings

- EE program and EM&V study review & feedback



Final Review for CE Report

Reviewed second draft BCR Models for accuracy, completeness, and appropriate updates due to recent evaluation work

- Anticipate updates to final numbers included in report that will reflect final draft numbers from RI Energy
- Final draft updates not expected to change narrative of report

Reviewed analysis of cost of supply

Compared analyses to LCP standards and historical assessments of cost-effectiveness



NOTE: THIS SLIDE WILL BE
 UPDATED PENDING RECEIPT OF
 UPDATED BC MODELS FROM
 THE RIE TEAM

Cost-Effectiveness Finding

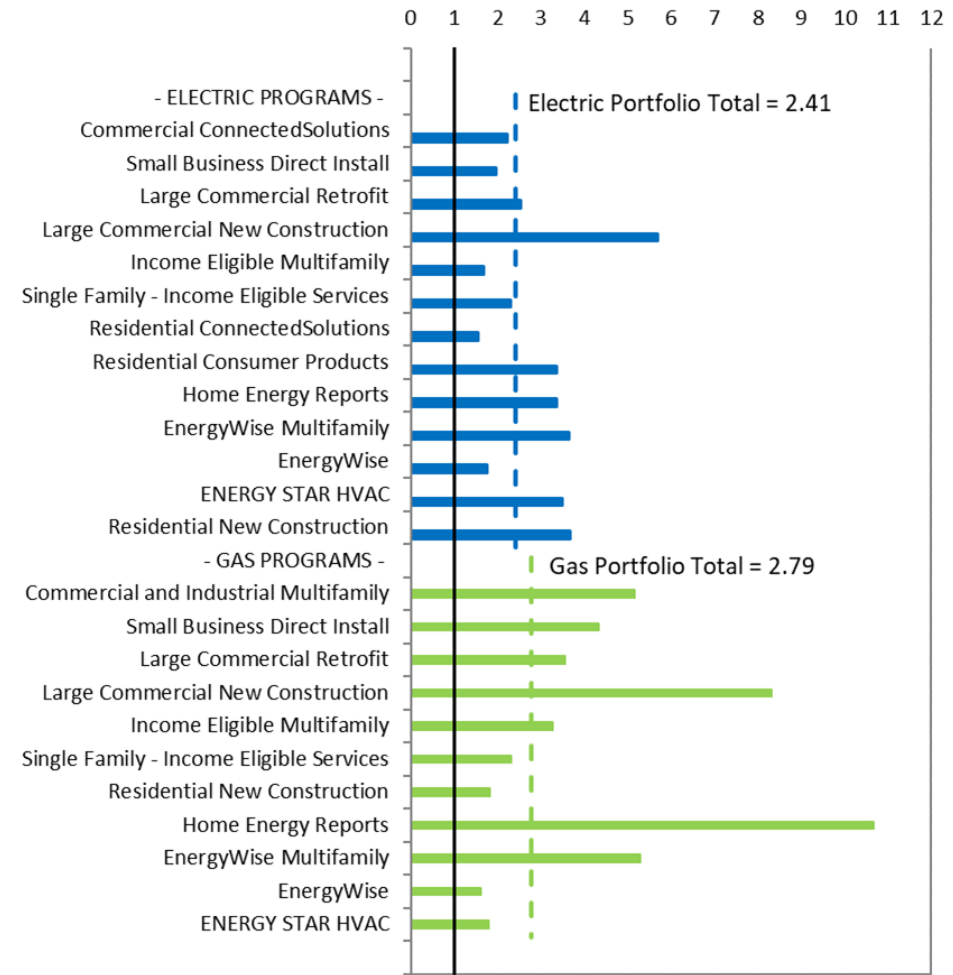
All programs in both the electric and gas portfolios are cost-effective according to the RI Cost Test

Electric Portfolio

– 2.41 RI Test BCR

Gas Portfolio

– 2.79 RI Test BCR





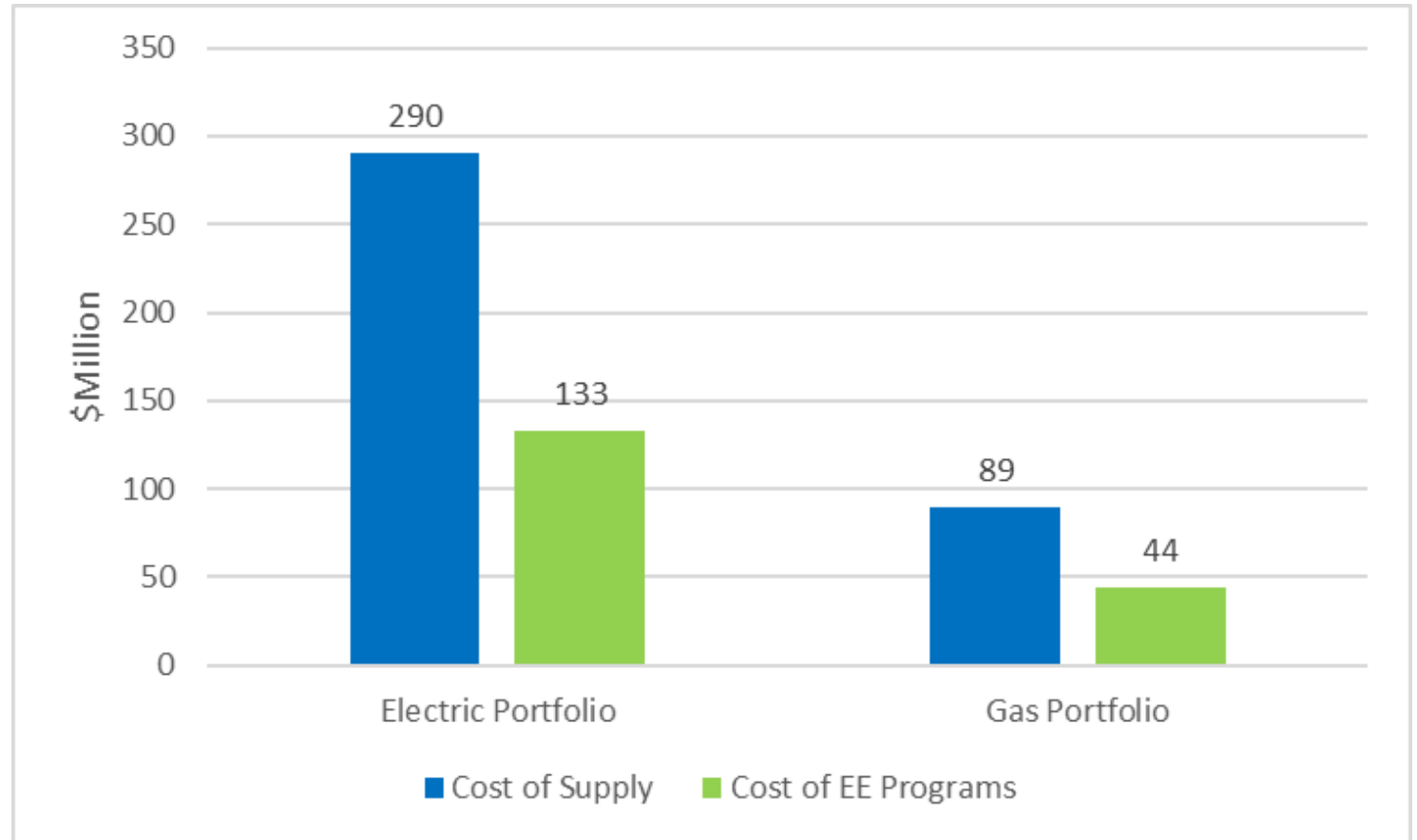
NOTE: THIS SLIDE WILL BE
UPDATED PENDING RECEIPT OF
UPDATED BC MODELS FROM
THE RIE TEAM

Cost of Supply Finding

Electric and Gas portfolio costs are lower than the cost of procuring alternative supply

Electric Portfolio is \$157.5M cheaper than cost of alternative supply

Gas Portfolio is \$44.7M cheaper than cost of alternative supply





Council Member Discussion

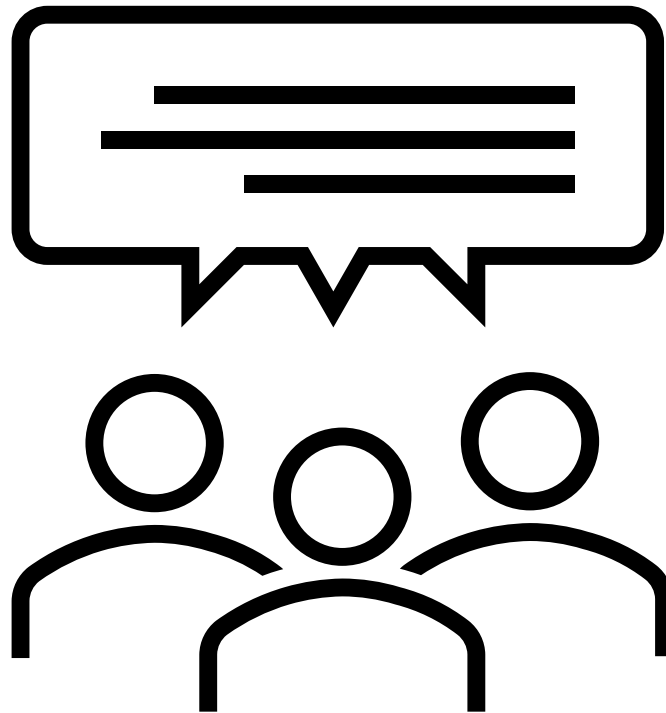


Exhibit 15

Cost-Effectiveness Report:

Rhode Island Energy's 2023 Energy Efficiency Plan

An Assessment and Report by

EERMC Consultant Team

Lead authors: Sam Ross & Craig Johnson

Working on Behalf of the



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

Submitted to the Rhode Island Public Utilities Commission

October XX, 2022

Summary of Consultant Team Findings

The Energy Efficiency and Resource Management Council (EERMC) Consultant Team finds that the *Annual Energy Efficiency Plan for 2023* (the “2023 EE Plan”), reviewed and [endorsed/not endorsed] by the Council on September 29, 2022, and to be filed October XX, 2022 by Rhode Island Energy (“the Company”), is cost-effective according to the “Rhode Island Test” (RI Test) and the historically referenced Total Resource Cost (TRC) test.

The EERMC submits these findings in compliance with the Least Cost Procurement (LCP) Standards adopted on July 23, 2020 by the Rhode Island Public Utilities Commission (PUC):

“The Council shall prepare memos on its assessment of the cost effectiveness of the EE Plans, pursuant to R.I. Gen. Laws §39-1-27.7(c)(5), and submit them to the PUC no later than three weeks following the filing of the respective EE Plans with the PUC, or in accordance with the procedural schedule set in the applicable docket.”

These findings and the remainder of this report were distributed to the EERMC on September XX 2022 and presented to the EERMC by the EERMC Consultant Team at its September 29, 2022 meeting, where they were approved and adopted in a vote of the EERMC.

I. Introduction

This report was prepared by the Consultant Team and the EERMC to help fulfill the requirements of R.I.G.L. § 39-1-27.7(c)(5) related the PUC’s approval of the Company’s three-year procurement plan and related annual energy efficiency plans. Since 2010, the EERMC has directed the Consultant Team to prepare this report for all three-year and annual plans filed with the PUC. This version addresses the Company’s proposed *Annual Energy Efficiency Plan for 2023* (the “2023 EE Plan”), reviewed and [endorsed/not endorsed] by the Council on September 29, 2022. This report submits our finding that the EE Plan is cost-effective as evidence to the PUC. It also describes the nature and process of the review.

In order to assess the cost-effectiveness of the 2023 EE Plan, the EERMC Consultant Team reviewed the details of the Company’s Benefit-Cost Models (“BC Models”) for each draft of the 2023 EE Plan to ensure that they accurately reflect the proposed program designs in the Plans, recent evaluation results, and relevant TRM inputs (Section III). The Consultant Team reviewed and provided detailed comments on the first draft of the 2023 EE Plan on July 29th, provided technical comments on the BC Model August 5th, and engaged in a detailed review of the second draft 2023 EE Plan and associated BC Model upon receiving these documents from the Company on September 8th and 9th, respectively. The Consultant Team provided content on its findings to help inform the EERMC ahead of the September 29th EERMC vote.

II. Cost-Effectiveness Review

The Consultant Team reviewed the draft and final 2023 EE Plan to assess whether the cost-effectiveness analyses reflect recent evaluation results and relevant TRM inputs and are otherwise accurate.

As a result of these activities, the Consultant Team communicated with analysts and sector managers from the Company to address issues and questions related to program design and cost effectiveness. In numerous cases, this resulted in revisions to the 2023 EE Plan. Our key findings are that:

- The modeling and cost-effectiveness assumptions reviewed were sufficiently supported for the portfolio proposed by the Company, either in their original form or after iterating based on review provided during this process. Any issues identified in the BC Models or in the 2023 EE Plan related to cost-effectiveness analysis were addressed at the portfolio and program level by the Company’s analyst team.
- The Company appropriately used new results from both Rhode Island and relevant Massachusetts evaluations that were recently completed to update multiple measure baselines, net-to-gross ratios, measure lives, and other measure assumptions.

The final 2023 EE Plan presents the cost-effectiveness of the proposed 2023 programs using both the TRC and the RI Test. Table 1, below, summarizes the results in terms of benefit-cost ratio. Note that for this EE Plan, the Company is only reporting the RI Test without economic benefits included. This is a result of deliberations that occurred during the hearings on the 2022 EE Plan in Docket 5189. Even considering the RI Test without the economic benefits, both the electric and gas portfolios are robustly cost-effective; electric portfolio benefits are approximately 141% greater than total costs of the investments in 2023, while gas portfolio benefits exceed costs by 179%.

Table 1. RI Test and TRC Test BCR Values

Portfolio	RI Test (without Economic Benefits)	TRC Test
Electric	2.41	1.31
Gas	2.79	1.46

The RI Test seeks to include a more complete set of benefits that better reflects state policy compared to the TRC. Importantly, the benefits associated with efficiency programs, including

reductions in greenhouse gas (GHG) emissions, have been included by relying on the 2021 version of the *Avoided Energy Supply Costs in New England* report (AESC). This year, the Company has proposed to consider the social cost of carbon in the Rhode Island Cost Test, which differs from past practice which had relied on the marginal abatement cost method for assigning a dollar value to avoided greenhouse gas emissions. Specifically, the 2023 EE Plan proposes to utilize an updated social cost of carbon (SCC) based on a supplemental study to the 2021 AESC¹. As stated in the 2023 EE Plan²:

“The AESC 2021 Supplemental Study found that the SCC was \$393/short ton, levelized over a 15-year period, and the May re-release of the 2021 AESC study found that the New England MAC (electric sector) was \$124/short ton, levelized over a 15-year period, both values being in 2021 dollars.”

A small portion of this value – representing the near-term value of carbon reductions given current and likely future carbon regulation – is already included or “embedded” in the avoided energy costs that compose a portion of the benefits under the TRC Test. Therefore, the RI Test includes the remaining value of carbon emissions up to the full per-ton value. The 2021 AESC also quantified benefits for non-embedded nitrogen oxide (NOx) reduction benefits. These are much smaller than the non-embedded GHG reduction benefits, but they do appear on the figures below as an additional benefit under the RI Test.

Increased spending from installing energy efficiency measures creates jobs in the local economy. Participant and program spending on efficiency often has positive benefits to the local economy as a greater portion of total efficiency costs are spent locally than is the case for the costs of additional supply. Yet these benefits are typically not included in TRC benefit calculations because they are difficult to quantify, requiring a regional economic model. Such an analysis was conducted for the Company in 2014, and updated in 2019, the results of which form the basis for the economic benefits historically included in the RI Test.³ During review of the economic development benefits in the 2022 EE Plan in Docket 5189, concerns were raised regarding whether the economic development benefits are capturing some of the benefits reflected in other RI Test categories. As a result, it was determined that economic development benefits should be reported separately from, rather than added together with, the other RI Test benefit

¹ The AESC 2021 Supplemental Study can be found at: https://www.synapse-energy.com/sites/default/files/AESC_2021_Supplemental_Study-Update_to_Social%20Cost_of_Carbon_Recommendation.pdf

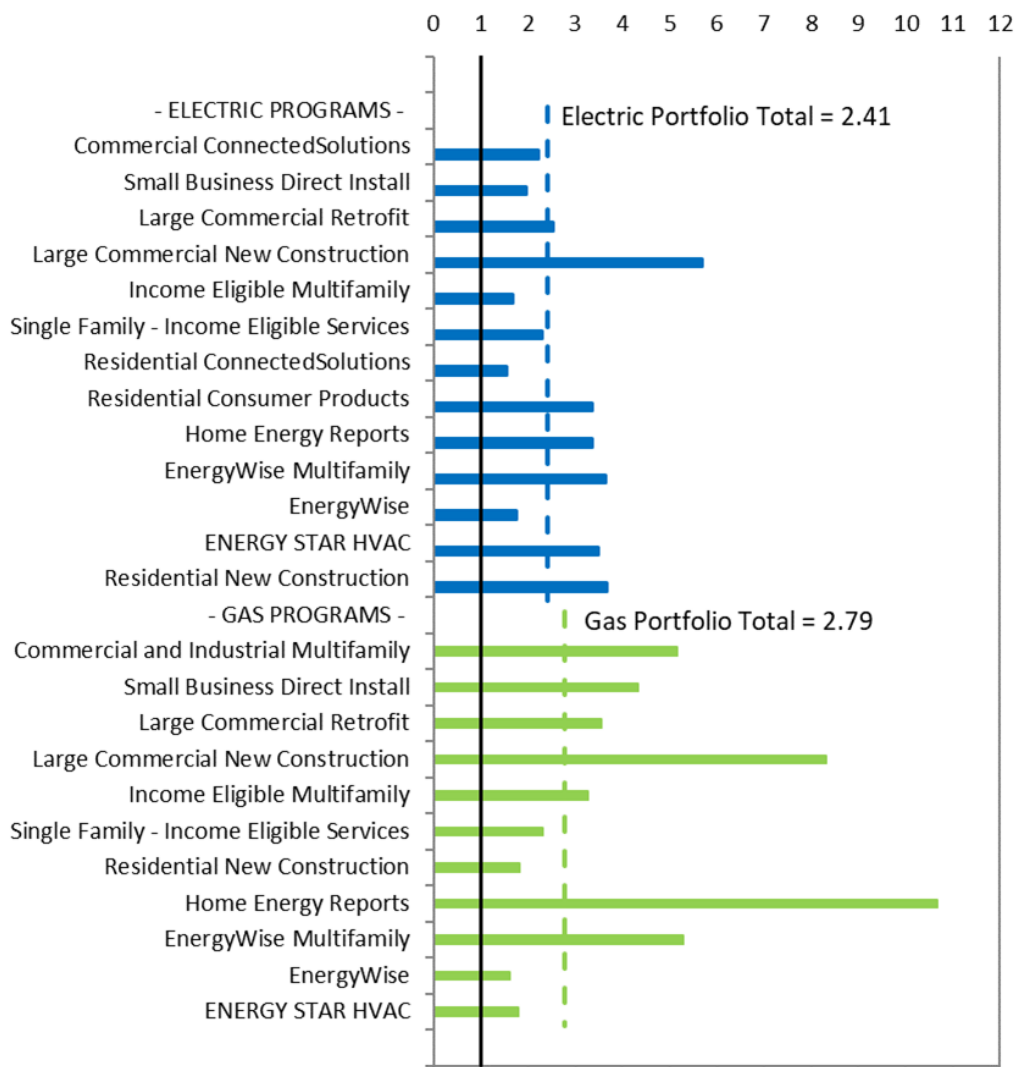
² This quote is drawn from the second draft of Rhode Island Energy's Annual Energy Efficiency Plan for 2023, Attachment 4, page 13. The second draft can be found at: <http://rieermc.ri.gov/wp-content/uploads/2022/09/2023-rie-annual-energy-efficiency-plan-second-draft.pdf>

³ Macroeconomic Impacts of Rhode Island Energy Efficiency Investments: REMI Analysis of National Grid's *Energy Efficiency Programs*, National Grid Customer Department, November, 2014.

and cost categories, to avoid any potential double counting. Consequently, economic development benefits are not part of the calculation of RI Test BCRs in this report.

The Consultant Team has reviewed the quantification of the GHG reduction and economic benefits in the RI Test. Figure 1 presents the results of the RI Test for the 2023 EE Plan in graphical form, and again demonstrates that both the electric and natural gas efficiency programs have a BCR greater than or equal to 1.0, as required by the PUC-approved LCP Standards and R.I.G.L. § 39-1-27.7 (c)(5).

Figure 1. RI Test Benefit Cost Ratios by Program



Figures 2 & 3, below, show the major components of both the costs and benefits of the portfolios for the 2023 EE Plan, reflecting the version of the RI Test that excludes economic development benefits. As noted in the table above, the electric and gas portfolios are both cost-effective using this version of the RI Test. On the cost side, note that the BCR calculation includes an allowance for the Company's shareholder incentive at the nominal or "target" value.

Figure 3. 2023 Planned Electric Costs and Benefits

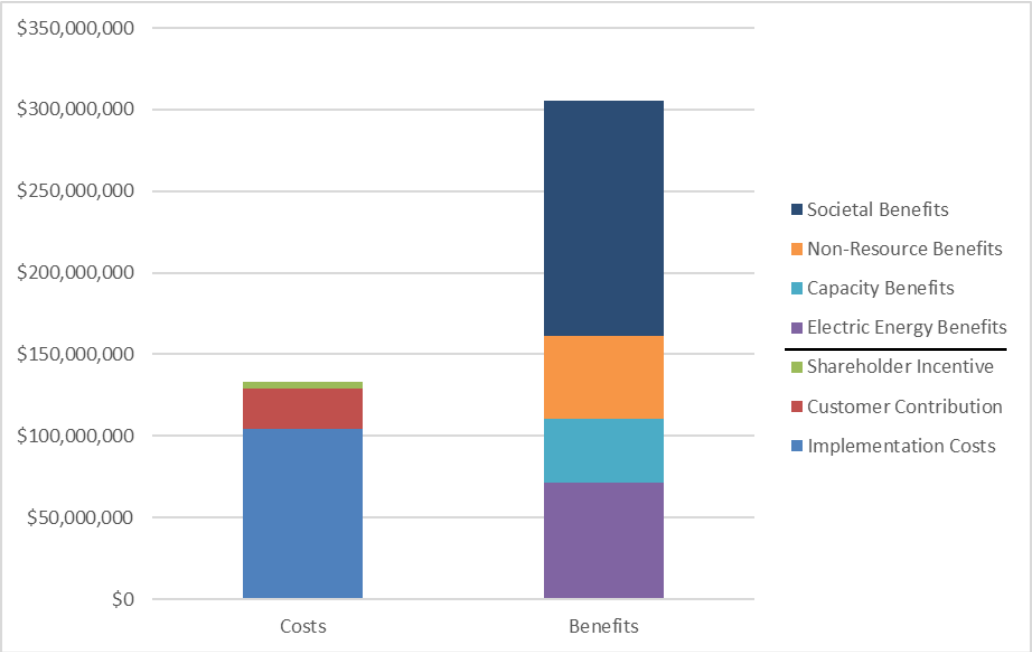
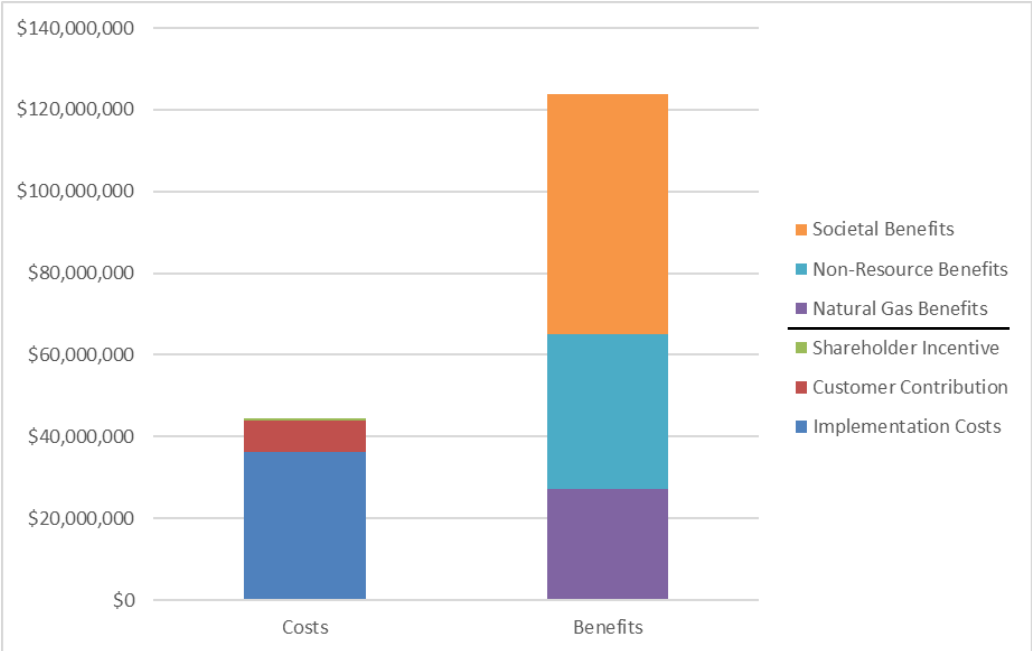


Figure 2. 2023 Planned Gas Costs and Benefits



The Consultant Team also reviewed the Company’s assessment of the cost of efficiency as compared to alternatives; the LCP standards require that efficiency be lower cost than acquisition of additional supply. The 2023 EE Plan reflects the updated guidance for assessing whether the cost of efficiency is less than the cost of supply. The Plan uses the RI Test as an appropriate starting point to determine which costs to include in this assessment. This test captures the aspects of the Docket 4600A Framework that pertain to energy efficiency programs. The source for many of these values is the aforementioned 2021 AESC Study. The benefits in the RI Test are associated with the cost savings to Rhode Island from investing in energy efficiency instead of investing in additional energy supply. For the purpose of the RI Test, these values are described as a benefit of energy efficiency in the form of avoided costs. It is reasonable to assume that these avoided cost values can also be applied as the costs of procuring additional energy supply for the purpose of this assessment. The RI Test also details what is considered a cost of energy efficiency. These are costs incurred by the utility to implement the 2023 EE Plan and the expense borne by the customer for its share of the energy efficiency measure cost.

The Plan enumerates all of the cost and benefit categories included in the RI Test and indicates which are included as a cost of efficiency, which are included as a cost of supply, and which are excluded from this comparison. The major categories that are excluded are economic development benefits, non-energy resource impacts such as water and sewer cost reductions, and other non-energy impact benefits other than those associated with income eligible rate discounts and reductions in arrearages. Tables 2 reflects the discussion in section 7.5 of the 2023 EE Plan, and shows that both the electric and gas portfolios, as proposed, are less than the cost of supply.

Table 2. Comparison of Cost of Electric Energy Efficiency and Alternative Supply

	Electric Portfolio	Gas Portfolio
Cost of Supply (\$M)	\$290.4	\$89.1
Cost of EE Programs (\$M)	\$133.0	\$44.4
Difference	\$157.5	\$44.7

Further, based on our participation in the discussions regarding this comparison and our review of the 2023 EE Plan, we believe that the Company has appropriately assessed the cost of efficiency and the cost of supply and determined that the former is less than the latter.

In summary, the EERMC Consultant Team concludes that the 2023 EE Plan meets the cost-effectiveness requirements of R.I.G.L. § 39-1-27.7(c)(5) and meets the revised LCP Standards guidance regarding the cost of efficiency and the cost of supply.

V. Conclusion

For the reasons stated herein, the EERMC and the EERMC's Consultant Team find that Rhode Island Energy's *Annual Energy Efficiency Plan for 2023* is cost-effective and is lower cost than the acquisition of additional supply pursuant to R.I.G.L. § 39-1-27.7 (c)(5).

Exhibit 16



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

Consultant Team Review Final Draft of the 2023 Annual Plan

Presented By: EERMC Consultant Team

Date: September 29, 2022



Outline

Update on Key Considerations

Summary of Recent Quantitative Changes to 2nd Draft 2023 EE Plan

Select Areas for Further Consideration

Council Responsibility and Vote Options



UPDATE ON KEY CONSIDERATIONS





Selected Key Considerations

Process Update

Measure Cost Assumptions

Equity

Potential Provisional Spending

2024-2026 Three-Year Plan Development



Process Update

As of September 22nd EERMC meeting, EE Plan updates responding to C-Team feedback were in process, final numbers expected 9/23

- Final updated BC Models not yet received at time slides finalized
 - Interim version shared 9/28

Key expected updates include:

- Removal of Fuel Cell project from C&I electric portfolio
- RI Energy considering additional Plan language indicating that measures not approved will not have associated budget reallocated
 - Open question whether Fuel Cell budget will be reallocated in final numbers



Measure Cost Assumptions

High measure cost assumptions relative to 2022 Plan levels were identified as a concern in the 2023 Plan

Increases in the cost to achieve savings were of particular concern

In response to C-Team feedback, RIE revised or justified cost assumptions in some areas of concern by benchmarking against actual installed costs or providing supporting analyses

Some areas were not addressed and may warrant further discussion



Equity

Equity section of the 2nd draft 2023 Plan now populated with new equity commitments, improving on limited first draft content

2023 commitments show modest change from 2022 and retain many concerns voiced in recent C-Team review of 2022 commitment updates, including acknowledgment of limited goal attainment in 2022

Level of detail, metrics for tracking performance, and specific, measurable goals still lacking for many equity commitments



Potential Provisional Spending

A fuel cell project comprising about 14% of total lifetime electric savings was added to the 2023 Plan 2nd Draft

At the EERMC's September 22nd meeting, Council members suggested RIE develop a provisional spending analysis to understand how these program funds would be allocated if the project does not move forward in 2023

Final draft removes fuel cell project (~\$1.7M in planned incentives) and does not propose to reallocate those funds to other initiatives



2024-2026 Three-Year Plan Development

Development of the 2024-2026 Three-Year Plan in 2023 represents an opportunity to reassess high-level program goals and implementation strategies

The EERMC will set EE and SRP priorities to guide the Company, C-Team, Technical Working Group, and other stakeholders in development and review of the 2024-2026 Three-Year Plan

Priorities are designed to be consistent with the EERMC's legislated role in supporting Least-Cost Procurement



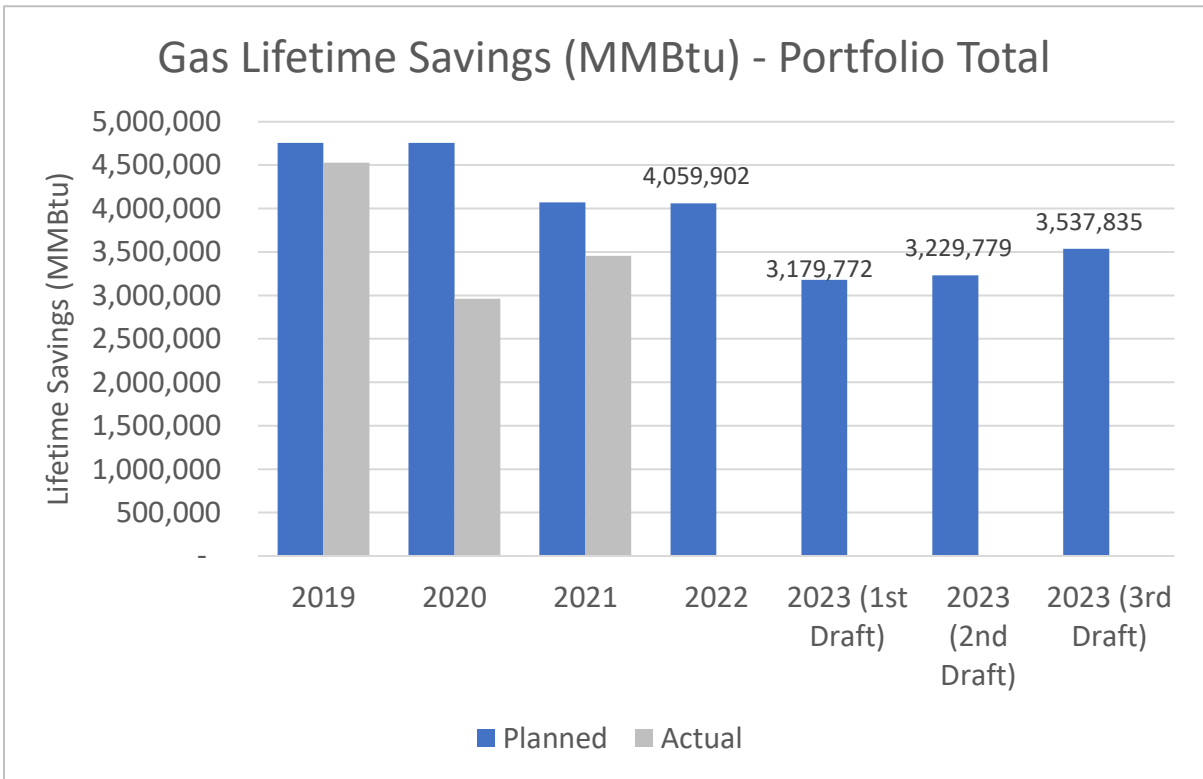
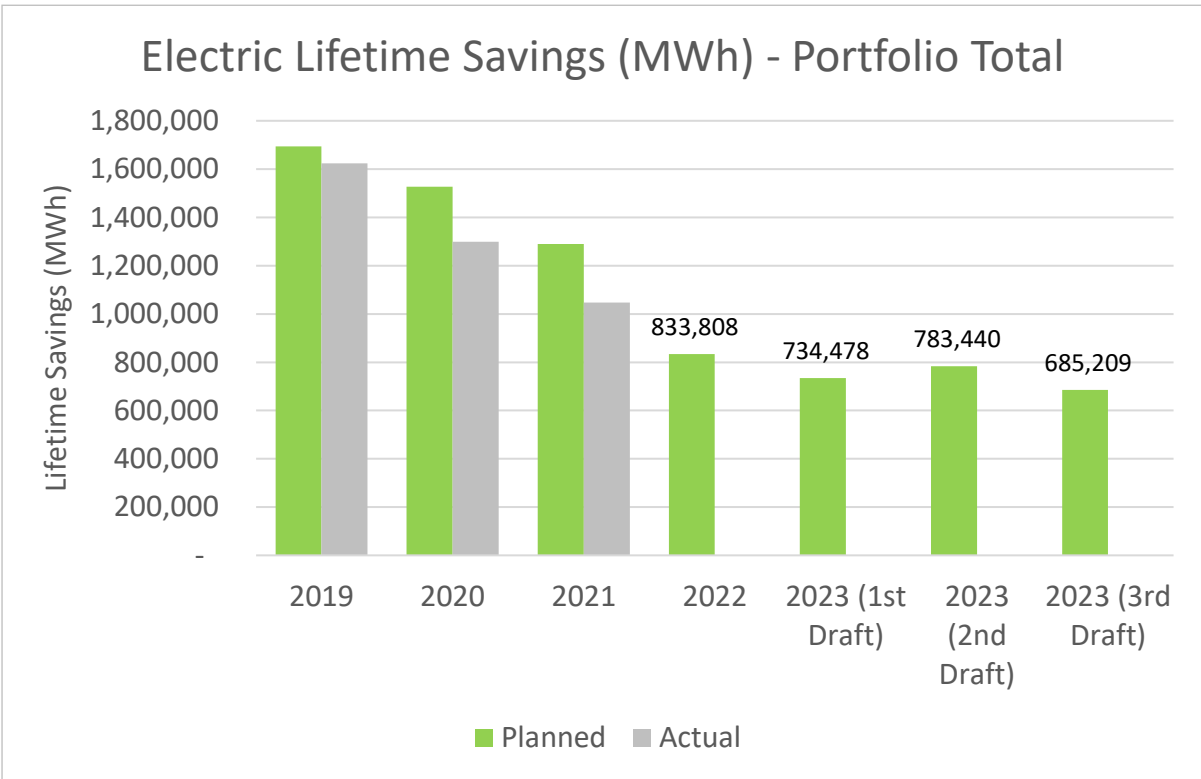
SUMMARY OF RECENT QUANTITATIVE CHANGES TO 2ND DRAFT 2023 EE PLAN





Portfolio Lifetime Savings

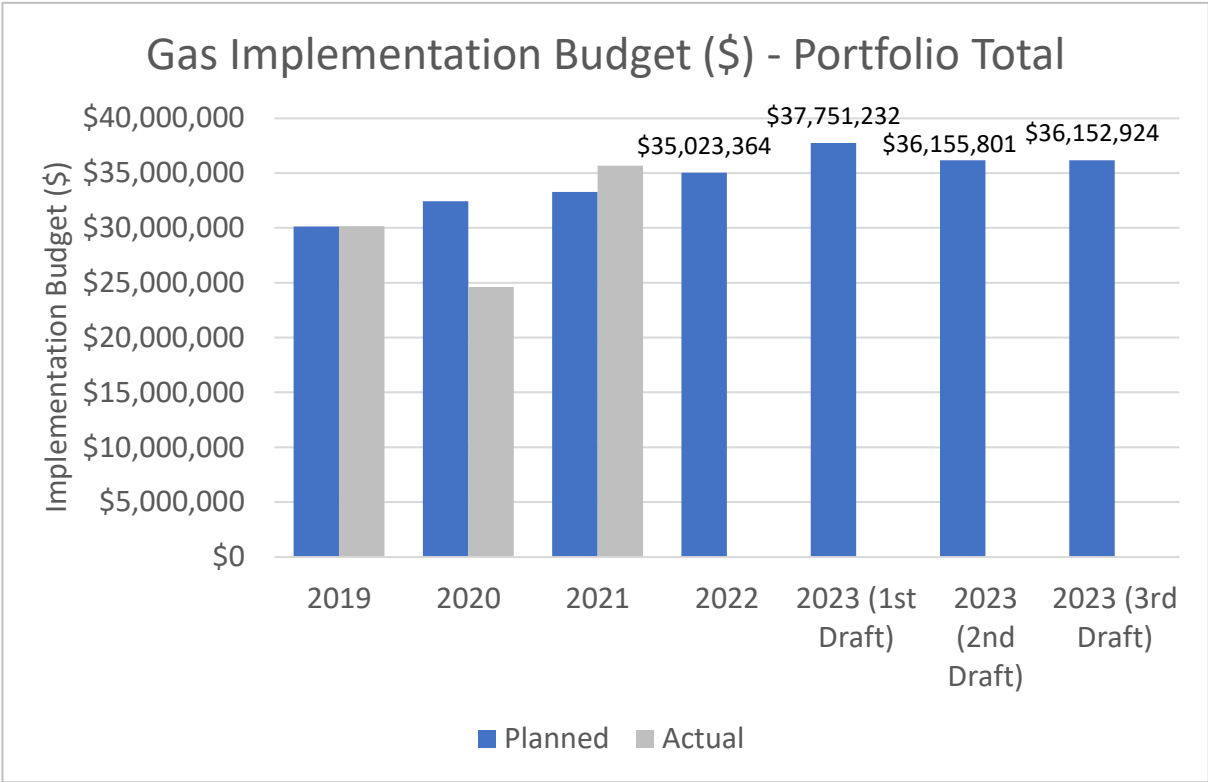
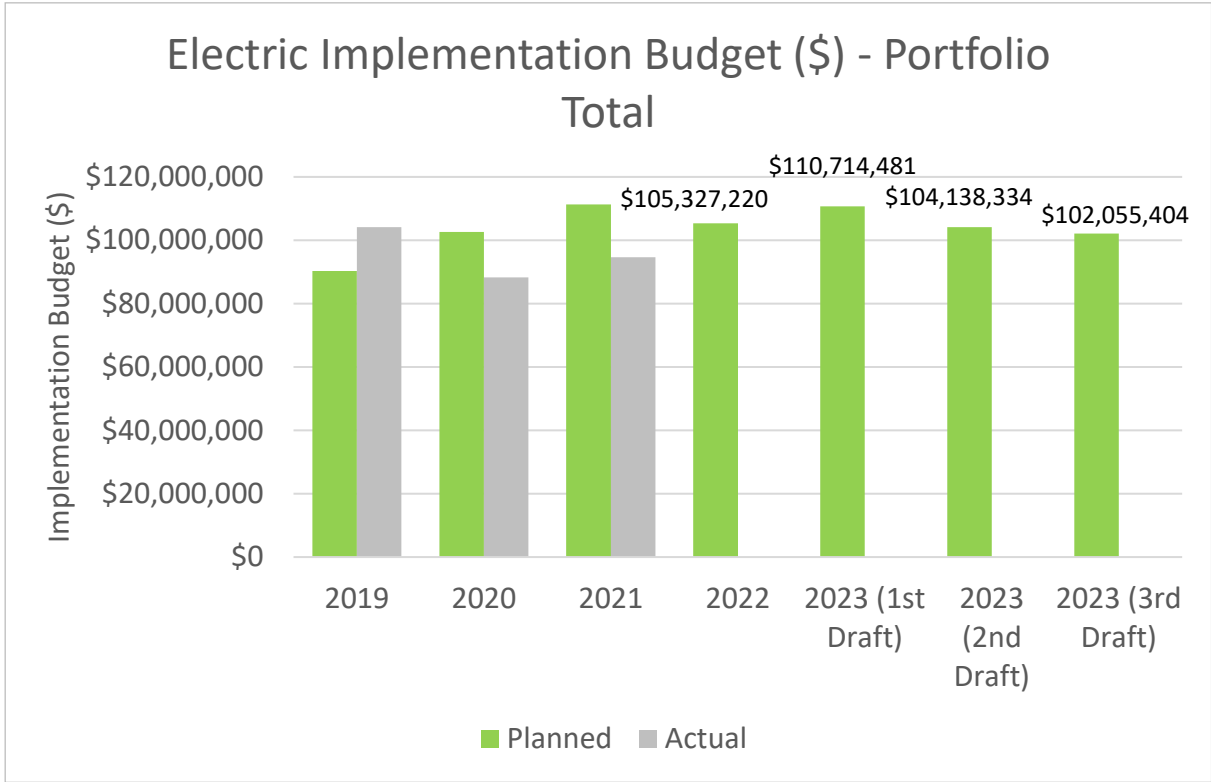
Key Takeaway Decreased lifetime electric (-7%) and increased lifetime gas (+11%) savings between first and final 2023 Plan drafts





Portfolio Implementation Budget

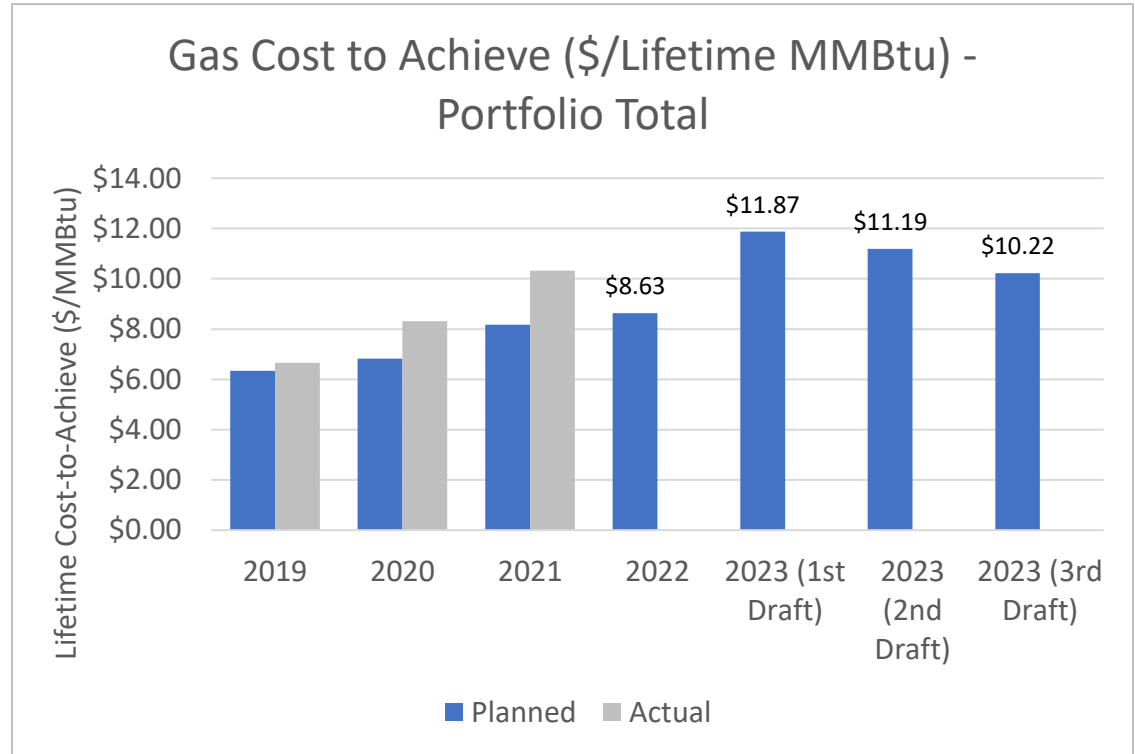
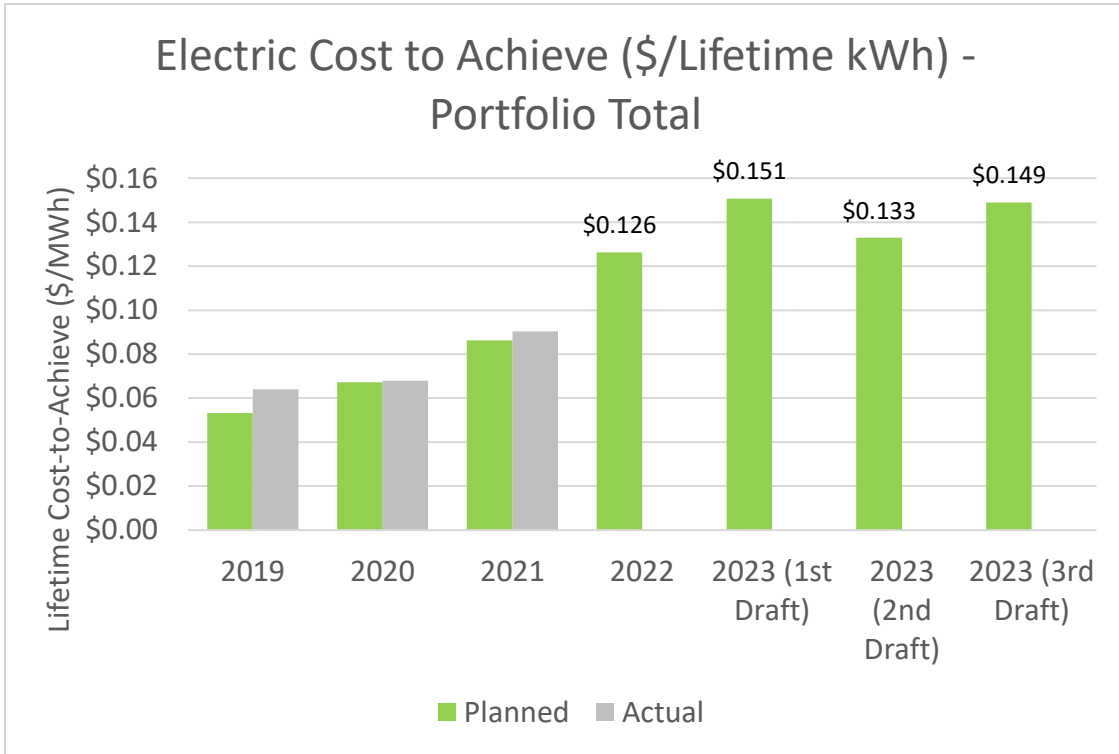
Key Takeaway Both electric and gas implementation budgets decreased by 8% and 4%, respectively, between first and final 2023 Plan drafts





Portfolio Cost to Achieve

Key Takeaway Overall cost to achieve decreased between first and final 2023 Plan drafts, but electric and gas cost to achieve both 18% above 2022 Plan





C&I Changes Since 2nd Draft Electric Portfolio

Largest single-measure change is the removal of the Fuel Cell project, which accounted for 23% of 3rd draft lifetime savings

- C&I lifetime electric savings without fuel cell: 477,396 MWh

Even with removal of Fuel Cell project, lifetime electric savings increased by 2.5% from 2nd Draft

- More investment in streetlights and lighting/building controls
- Revisited costs for several specific measure categories identified during 1st/2nd Draft 2023 Plan review
- Upstream lighting costs reduced



C&I Changes Since 2nd Draft Gas Portfolio

158,294 increase (+9%) in lifetime gas savings

- Increased planned activity for operation and maintenance, motors and drives, and some custom projects in large retrofit program
- New energy recovery ventilation measures added in new construction program

\$19,618 decrease (-0.2%) in budget between 2nd and 3rd draft

- 11% decrease in Retrofit lifetime cost to achieve
- 6% decrease for New Construction cost to achieve

Costs revised for select Retrofit measures previously flagged/mapped against MA 2022-2024 Plan BCR Models

- Heat Recovery, Custom – Other, Thermostats, Wi-Fi Thermostats, Ventilation Reduction, Motors & Drives



Residential Changes Since 2nd Draft Electric Portfolio

Income Eligible Single Family

- Total incentive decreased by \$1,265,000 as a result of correcting a double-counting issue on heating system replacements
- Minor decrease in associated electric savings, with net result of improved cost-to-achieve

Income Eligible Multifamily

- Net lifetime savings decreased by 903 MWh resulting from correction that ensures load building from delivered fuel switching of heat pumps is accounted for
- Updated inputs to reflect increased natural gas fuel consumption for micro-CHP projects

HVAC

- Total incentives decreased by \$54,750 as result of updating incentive coverage for heat pump water heaters

EnergyWise Multifamily

- Minor increase in total incentives by \$890 resulting from correction to a measure that previously had left cost inputs blank



Residential Changes Since 2nd Draft Gas Portfolio

Residential gas savings increased by 149,763 (+13%) lifetime MMBtu compared to 2nd Draft as a result of changes in measure lives for four measures

Program	Description of Change	C-Team Assessment	Summary of Impact
Residential HVAC (Gas)	Combination Condensing Boiler (95% AFUE) increased from 17 to 23 years.	Appropriate to increase, but only to 20 years.	Savings should be higher than 2 nd Draft, but not as high as Final Draft.
	Furnace (95% AFUE) and Furnace (97% AFUE) decreased from 20 to 17 years.	No issue with change.	Savings should be lower than 2 nd Draft.
Residential EnergyWise Single Family (Gas)	Weatherization increased from 20 to 25 years.	Should remain at 20 years to be consistent with weatherization measures in the electric portfolio	Savings for program should remain at levels proposed in 2 nd Draft



SELECT AREAS FOR FURTHER CONSIDERATION





Select Areas for Further Consideration

Commercial & Industrial

Cost benchmarking only conducted for C&I Retrofit programs

- Incentive spending per unit of lifetime savings in electric portfolio 10% higher than 2022 Plan
- Incentive spending per unit of lifetime savings in gas portfolio 18% higher than 2022 Plan

Some cost increases justified with supporting data, but other cost increases lack adequate supporting analysis

The “how” and “why” behind some program implementation enhancements not fully fleshed out



Select Areas for Further Consideration

Residential & Income Eligible

Outstanding concerns about plan detail for addressing:

- Non-participant Multifamily customers with low-propensity scores
- How planned adjustments to Income Eligible Single Family delivery model will lead to actual improvement in services to customers

Balancing measure mix in electric and gas HVAC programs

- Reduce emphasis on gas heating equipment in favor of weatherization
- Move towards favoring central heat pumps over central air conditioners wherever possible

Addressing planned increases in cost per participant in the Income Eligible Multifamily Gas program



COUNCIL RESPONSIBILITY AND VOTE OPTIONS





Council's Responsibility

EERMC role and responsibility in potentially endorsing the Plan as described in the LCP Standards:

“

The Council shall vote whether to endorse the Annual EE Plan prior to the prescribed filing date. If the Council does not endorse the Annual EE Plan, the Council shall document its reasons and submit comments on the Annual EE Plan to the PUC for its consideration in final review of the Annual Plan.

”



Summary of 2023 EE Plan Vote Options

Per the EERMC's legal counsel, the following options are available:

1. **Endorse the EE Plan.** Endorsement may also list Council's concerns that didn't prevent endorsement but warrant mentioning.
2. **Endorse the EE Plan,** but decline to join any Settlement of the Parties. Represents a strong statement of the EERMC's concerns.
3. **Not endorse the EE Plan,** but indicate that if specific condition(s) are met it would be endorsed.
4. **Not endorse the EE Plan,** and provide a list of reasons why it was not endorsed for PUC consideration in its final review of the EE Plan.



Council Member Discussion





APPENDICES



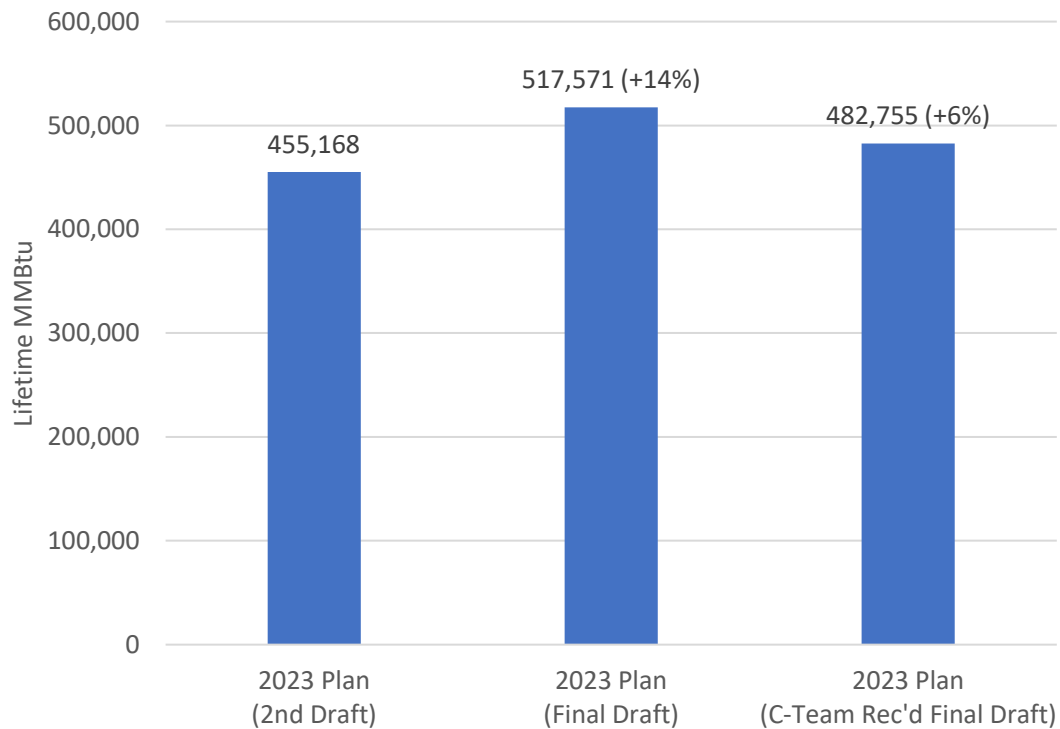


Measure Life Adjustments

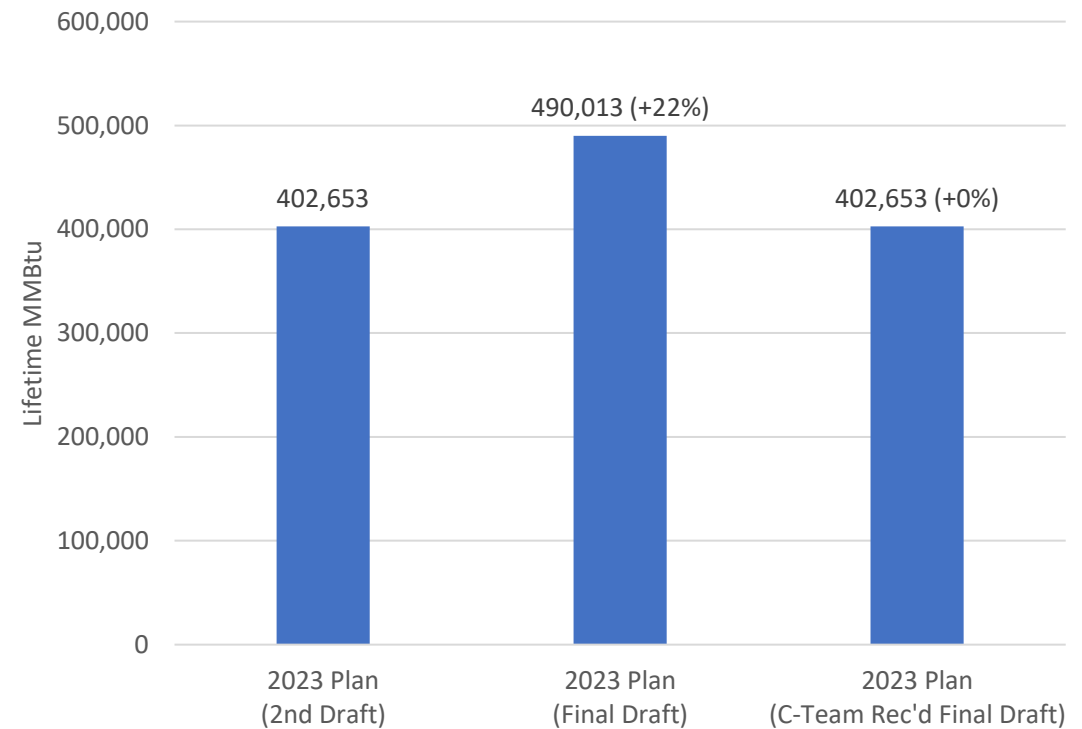
Key Takeaway

Lifetime savings for Gas HVAC should be higher than 2nd Draft but lower than Final Draft. Lifetime savings for the EnergyWise SF Gas should remain at 2nd Draft levels.

HVAC Gas Program Lifetime Savings



EnergyWise Single Family Gas Program Lifetime Savings

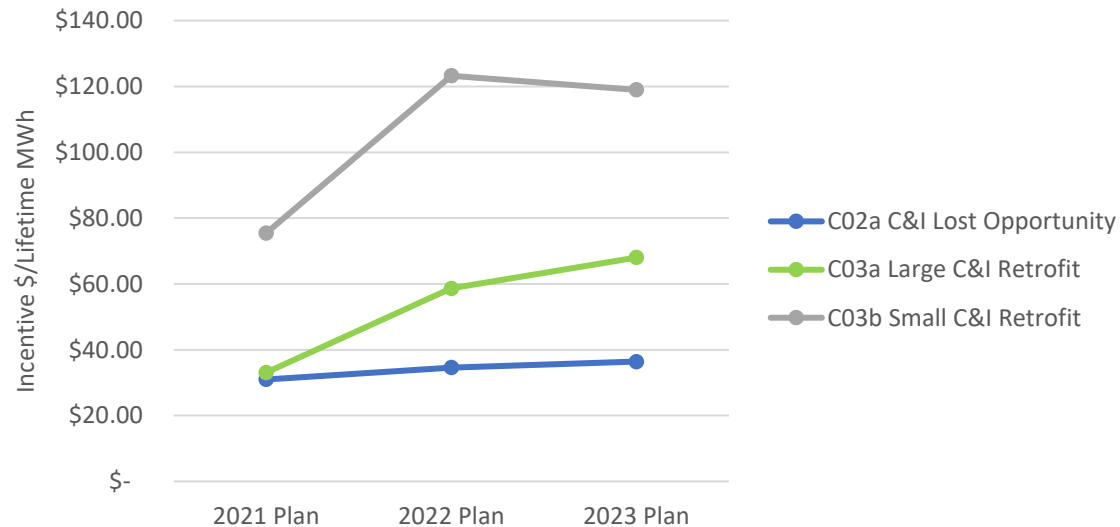




Select Areas for Further Consideration Commercial & Industrial

Planned 2023 Incentive spending per unit of lifetime savings 10% higher for electric portfolio and 18% higher for gas portfolio compared to 2022 Plan

Cost-to-Achieve by Program (\$/Net Lifetime MWh)



Cost-to-Achieve by Program (\$/Net Lifetime MMBtu)

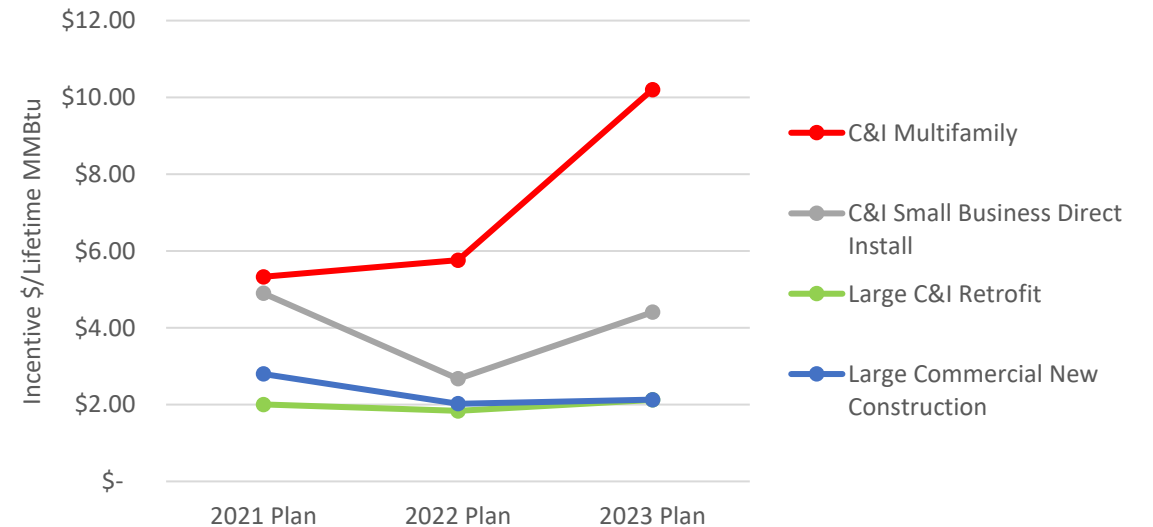


Exhibit 17



STATE OF RHODE ISLAND

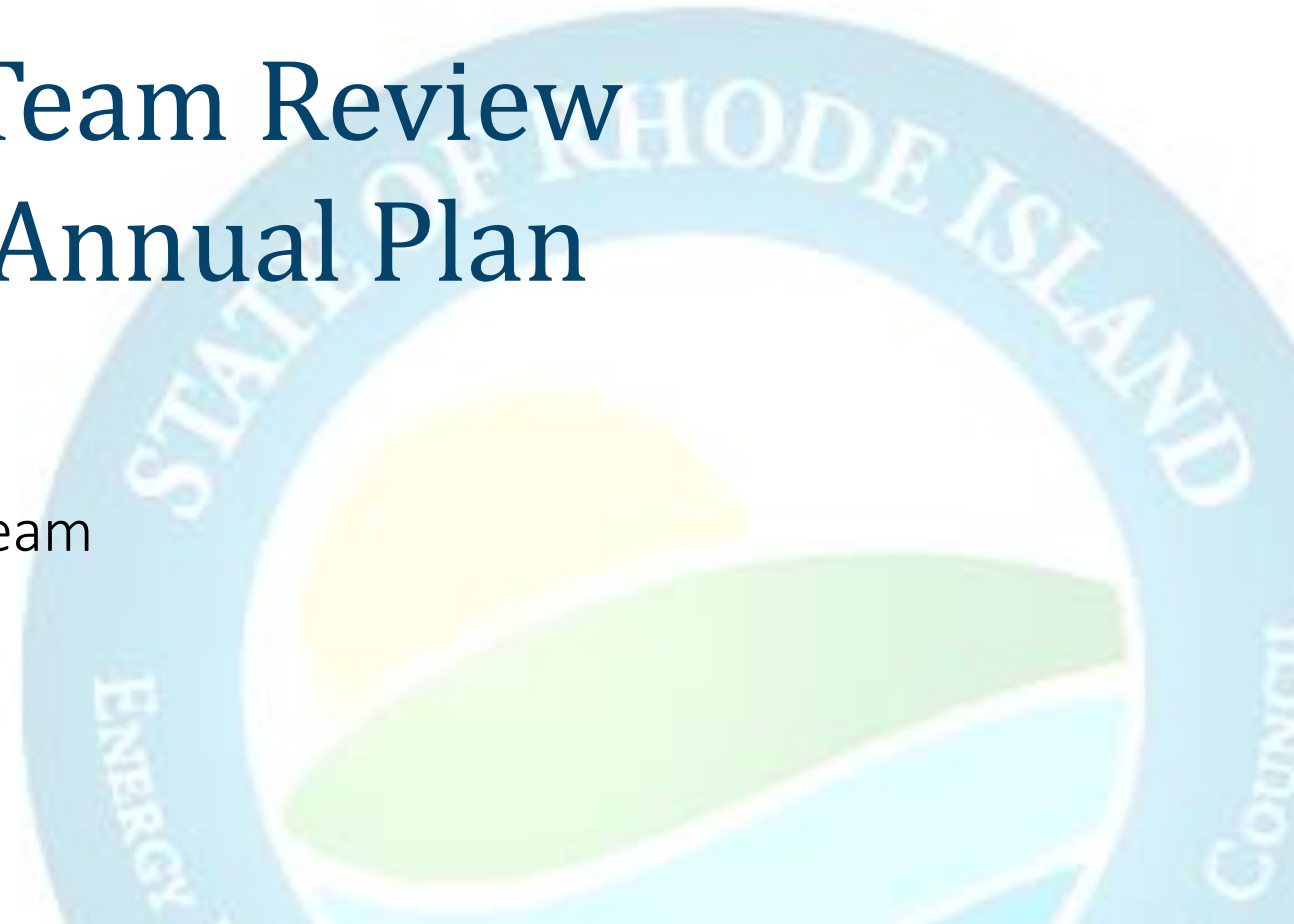
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

Consultant Team Review Filed 2023 Annual Plan

Presented By: EERMC Consultant Team

Date: October 20, 2022





Outline

Overview of Regulatory Review Process

Changes from 3rd Draft to Filed Plan

Key Topics for Pre-filed Testimony

Looking Forward



OVERVIEW OF REGULATORY PROCESS





Docket Schedule

10/17/2022 – Deadline to file for intervention

10/21/2022 – Objections to Motions to Intervene due

10/26/2022 – EERMC's testimony and documentation regarding budget due

11/4/2022 – Intervenor's/Division's Pre-filed Testimony/Comments due

11/14/2022 – Rhode Island Energy's Reply Testimony/Comments due

12/6/2022, 12/8/2022, and 12/16/2022 – Hearing Dates



CHANGES FROM 3RD DRAFT TO FILED PLAN





Discussion Points

Fuel cell project was removed from the filed Plan & BC models

- This was associated with some minor changes in non-incentive spending as well

C-Team undertook final review of BC Models and Plan narrative after filing

The following slide summarizes the final Plan numbers



Changes from 3rd Draft to Filed Plan

Key Takeaway Changes between drafts driven by the removal of the Large C&I Retrofit fuel cell project from the electric portfolio. No changes to the gas portfolio.

Electric Portfolio	2023 Plan (3 rd Draft)	2023 Plan (Filed)	Difference	Difference (%)
Lifetime Savings (MWh)	794,122	685,209	-108,913	-14%
Implementation Spending	\$103,720,738	\$102,018,013	-\$1,702,725	-2%
Acquisition Cost (\$/Lifetime kWh)	\$0.13	\$0.15	\$0.02	12%
Non-Incentive Spending	\$25,850,197	\$25,812,807	-\$37,390	-0.1%



TOPICS FOR PRE-FILED TESTIMONY





C-Team Recommendations

Summary of **Council's budget** development process in 2022

Summary of **Council engagement** during EE Plan development

Remaining areas where **year-over-year cost increases** have not been adequately justified

- May include cost benchmarking to other jurisdictions

Potential **comments on TRM** (final draft still pending)



Other Areas to Consider

Summary of **comments on equity** progress in 2022 (potentially applied to equity commitments for 2023)

RIE choice to set the **Social Cost of Carbon** based on marginal damages (\$393 per short ton) in place of marginal abatement cost (\$125 per short ton)

RIE resource constraints during plan development

Reduced budget between 3rd draft and final draft of 2023 EE Plan



LOOKING FORWARD





2024-2026 Three-Year Plan Development

Development of the 2024-2026 Three-Year Plan in 2023 represents an opportunity to reassess high-level program goals and implementation strategies

The EERMC will set EE and SRP priorities to guide the Company, C-Team, Technical Working Group, and other stakeholders in development and review of the 2024-2026 Three-Year Plan

Priorities are designed to be consistent with the EERMC's legislated role in supporting Least-Cost Procurement



Council LEAD Session Brainstorm

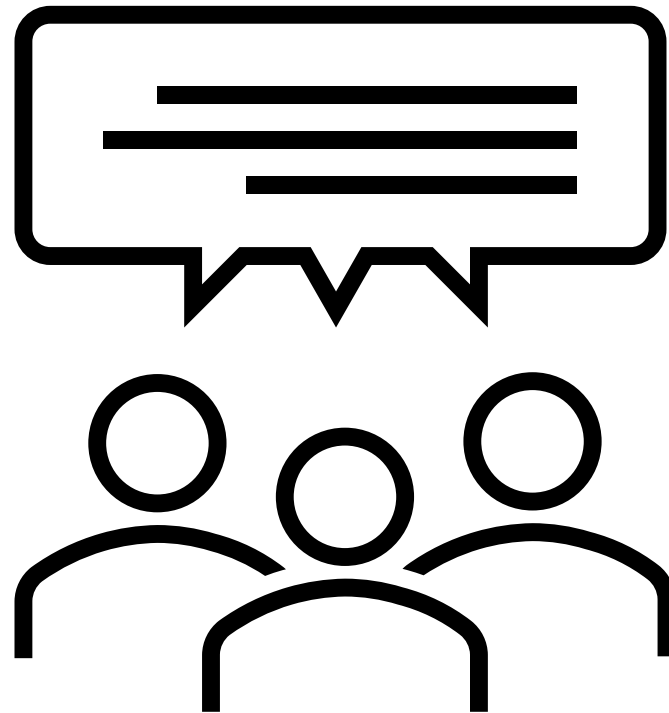
Council Learning, Education and Advancement Discussion (LEAD) session should provide information, but include ample time for Councilor discussion

Potential topics could include:

- 2024-2026 Three Year Plan early priorities
- Jurisdictional comparisons
- Income eligible deep dive
- Council support for equity work in 2023
- Evaluation Measurement and Verification (EM&V) primer
- Other topics?



Council Member Discussion





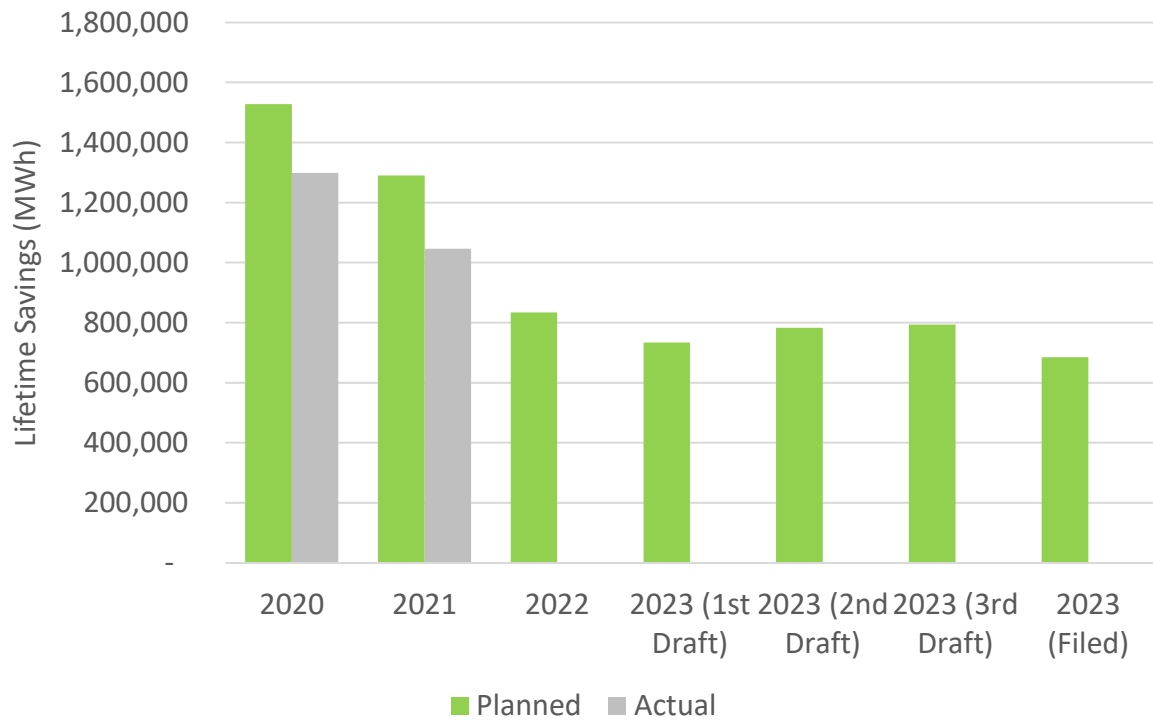
APPENDICES



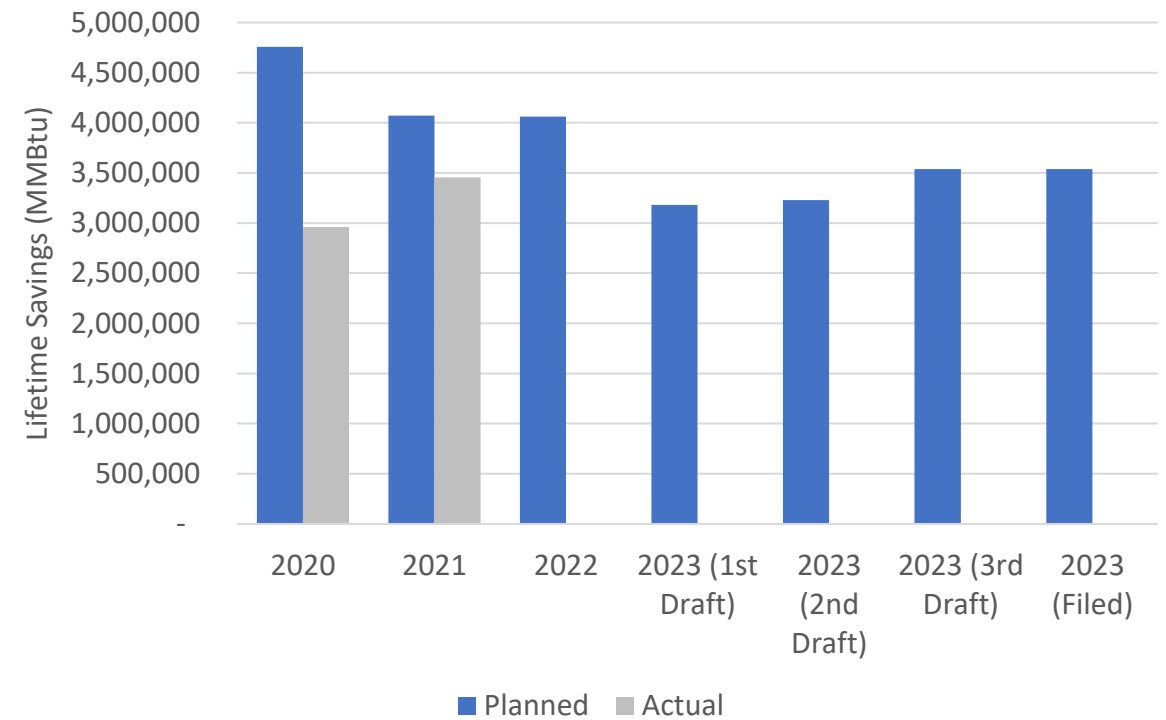


Portfolio Lifetime Savings

Electric Lifetime Savings (MWh) - Portfolio Total



Gas Lifetime Savings (MMBtu) - Portfolio Total

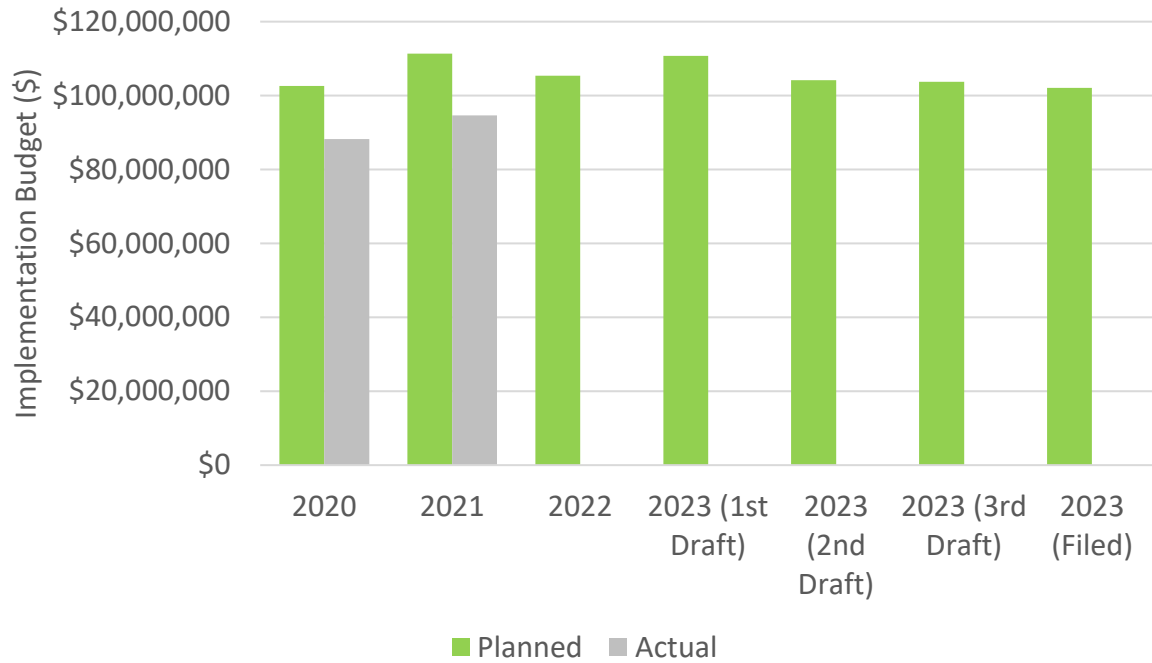




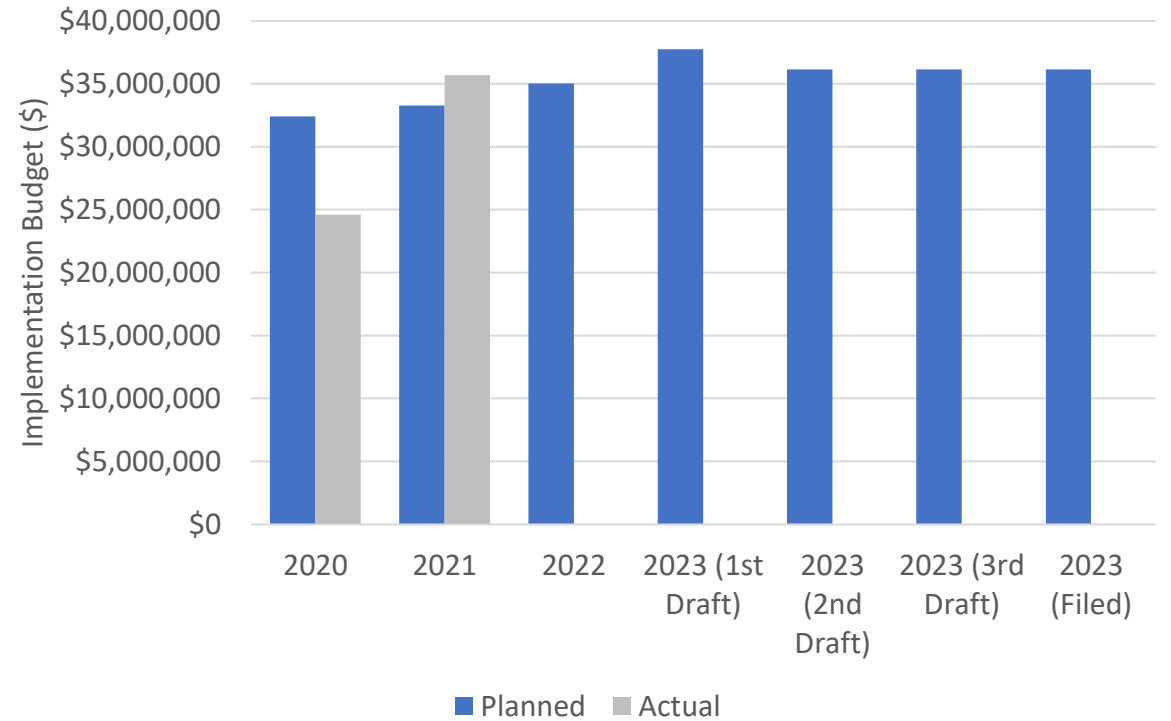
Portfolio Implementation Budget



Electric Implementation Budget (\$) - Portfolio Total



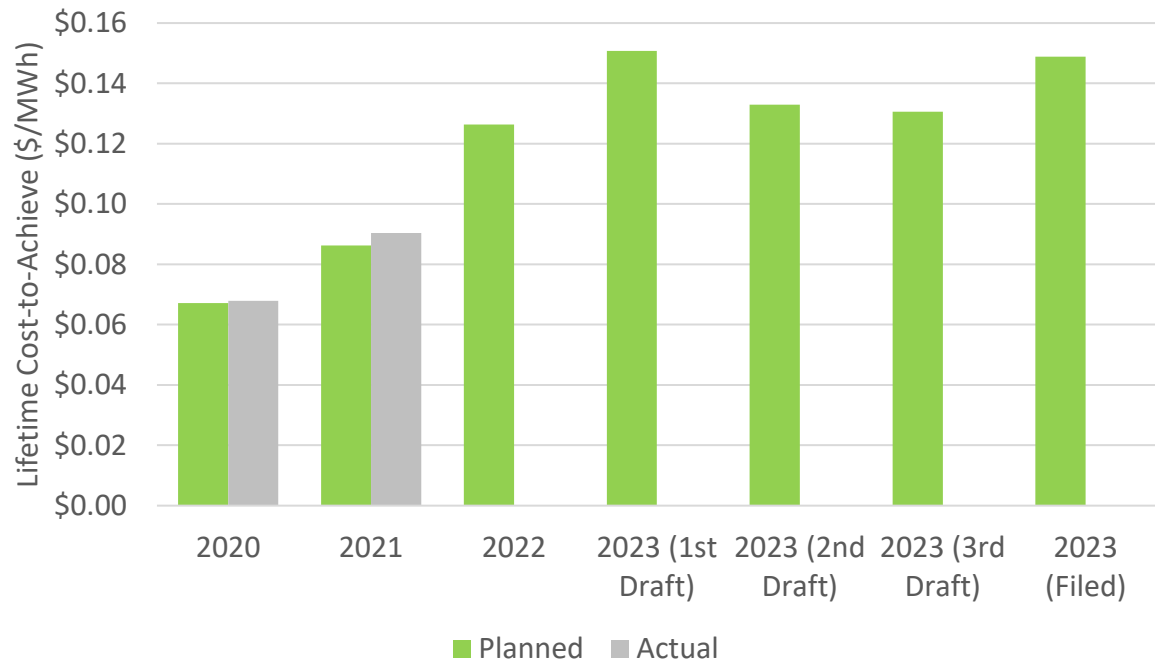
Gas Implementation Budget (\$) - Portfolio Total



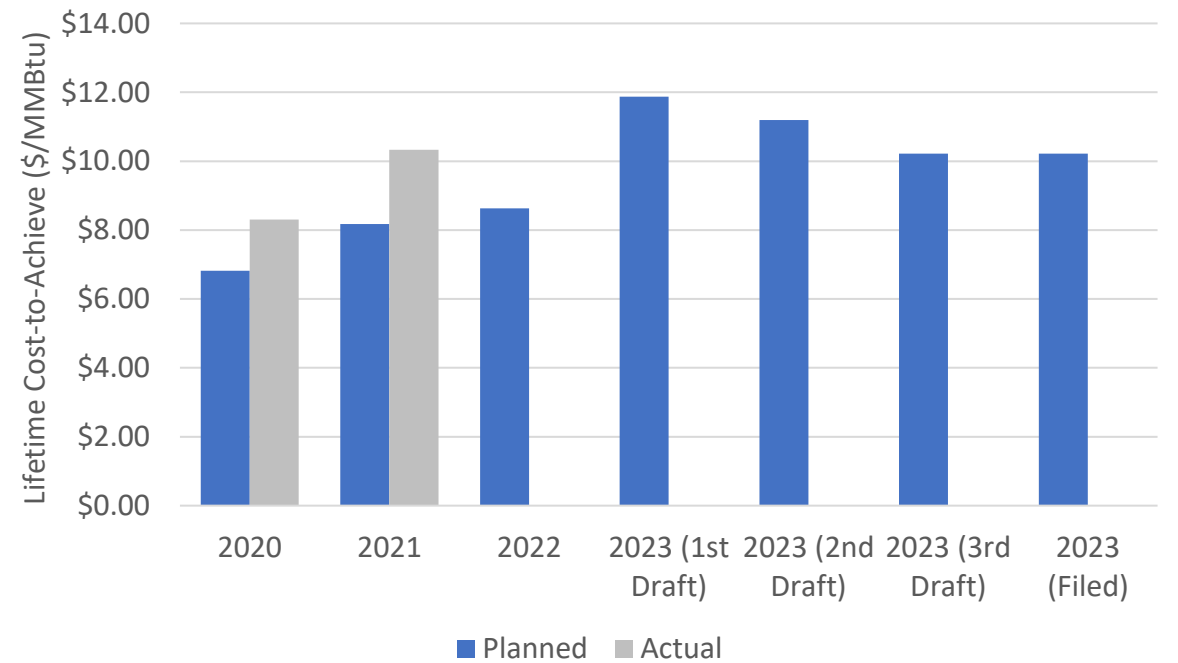


Portfolio Cost to Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Portfolio Total

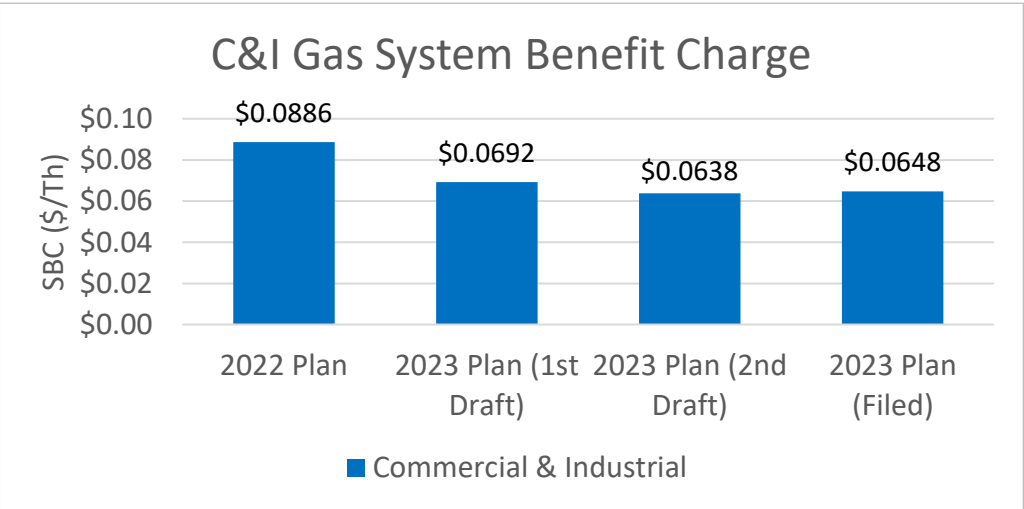
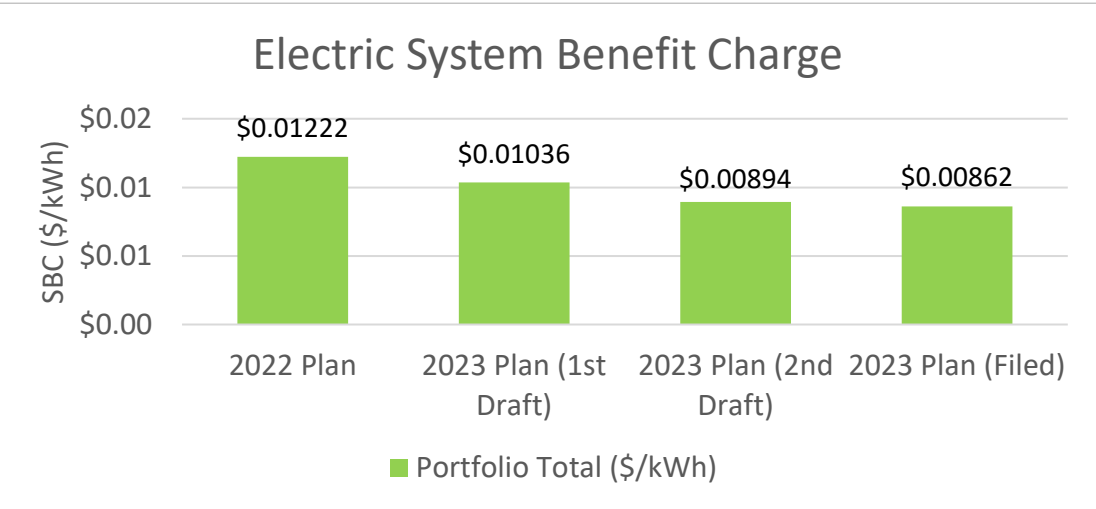


Gas Cost to Achieve (\$/Lifetime MMBtu) - Portfolio Total

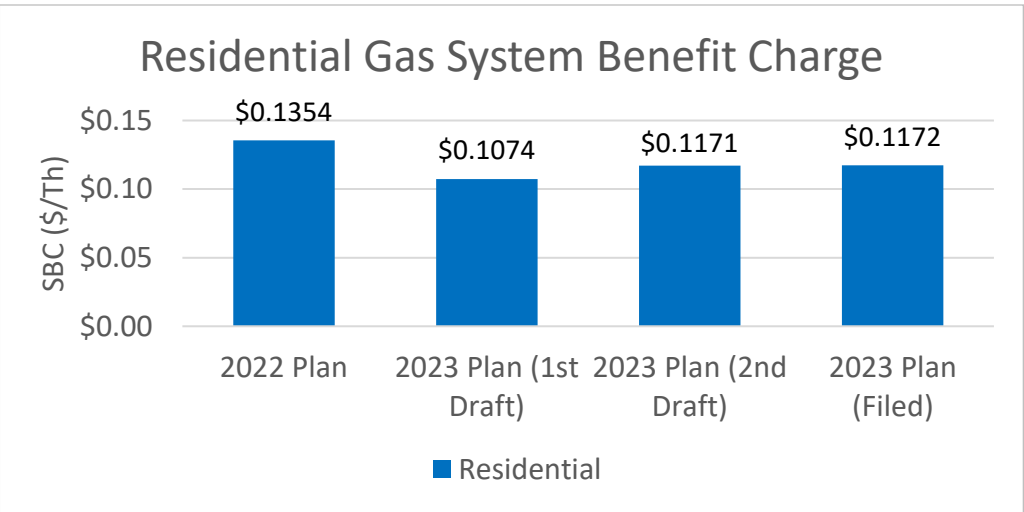




System Benefit Charge



Decrease in System Benefit Charge (SBC) across both portfolios partially attributable to high forecasted underspending in 2022





Electric Lifetime MWhs

LIFETIME MWhs

% of 2023 Portfolio	Program	2023 (3rd Draft)		2023 (Filed)		2023 (Filed) Compared to 2023 (3rd Draft)	
		MWhs	MWhs	MWhs	MWhs	MWhs	% Change
8%	Small Business Direct Install	57,778	57,778	57,778	57,778	0	0%
23%	Large Commercial New Construction	157,598	157,598	157,598	157,598	0	0%
38%	Large Commercial Retrofit	370,933	262,020	262,020	262,020	-108,913	-29%
70%	C&I Total	586,309	477,396	477,396	477,396	-108,913	-19%
3%	Single Family - Income Eligible Services	22,187	22,187	22,187	22,187	0	0%
2%	Income Eligible Multifamily	16,728	16,728	16,728	16,728	0	0%
6%	Income Eligible Total	38,915	38,915	38,915	38,915	0	0%
2%	Residential New Construction	15,377	15,377	15,377	15,377	0	0%
10%	ENERGY STAR® HVAC	71,055	71,055	71,055	71,055	0	0%
2%	EnergyWise	16,940	16,940	16,940	16,940	0	0%
1%	EnergyWise Multifamily	9,493	9,493	9,493	9,493	0	0%
4%	Home Energy Reports	24,350	24,350	24,350	24,350	0	0%
0%	ENERGY STAR® Lighting	0	0	0	0	0	0%
5%	Residential Consumer Products	31,684	31,684	31,684	31,684	0	0%
25%	Residential Total	168,898	168,898	168,898	168,898	0	0%
100%	Portfolio Total	794,122	685,209	685,209	685,209	-108,913	-14%



Electric Annual MWhs

		ANNUAL MWhs		2023 (Filed) Compared to 2023 (3rd Draft)	
% of 2023 Portfolio	Program	2023 (3rd Draft)	2023 (Filed)		
9%	Small Business Direct Install	9,260	9,260	0	0%
11%	Large Commercial New Construction	10,481	10,481	0	0%
39%	Large Commercial Retrofit	49,227	38,335	-10,891	-22%
58%	C&I Total	68,967	58,076	-10,891	-16%
2%	Single Family - Income Eligible Services	2,433	2,433	0	0%
1%	Income Eligible Multifamily	1,245	1,245	0	0%
4%	Income Eligible Total	3,679	3,679	0	0%
1%	Residential New Construction	779	779	0	0%
4%	ENERGY STAR® HVAC	4,175	4,175	0	0%
3%	EnergyWise	3,147	3,147	0	0%
1%	EnergyWise Multifamily	680	680	0	0%
25%	Home Energy Reports	24,350	24,350	0	0%
0%	ENERGY STAR® Lighting	0	0	0	
5%	Residential Consumer Products	4,473	4,473	0	0%
38%	Residential Total	37,603	37,603	0	0%
100%	Portfolio Total	110,249	99,358	-10,891	-10%



Electric Budget

IMPLEMENTATION BUDGET

% of 2023 Portfolio	Program	2023 (3rd Draft)	2023 (Filed)	2023 (Filed) Compared to 2023 (3rd Draft)	
8%	Small Business Direct Install	\$7,764,404	\$7,767,357	\$2,953	0%
8%	Large Commercial New Construction	\$8,468,889	\$8,471,353	\$2,465	0%
24%	Large Commercial Retrofit	\$26,136,531	\$24,453,235	-\$1,683,296	-6%
2%	C&I Financing	\$2,000,000	\$2,000,000	\$0	0%
0%	Community Based Initiatives - C&I	\$93,461	\$93,461	\$0	0%
0%	Commercial Pilots	\$0	\$0	\$0	
6%	Commercial ConnectedSolutions	\$5,680,819	\$5,683,113	\$2,294	0%
0%	Commercial Workforce Development	\$157,500	\$157,500	\$0	0%
48%	C&I Total	\$50,301,605	\$48,626,020	-\$1,675,584	-3%
12%	Single Family - Income Eligible Services	\$12,069,498	\$12,072,444	\$2,947	0%
4%	Income Eligible Multifamily	\$4,257,730	\$4,258,817	\$1,087	0%
0%	Income Eligible Workforce Development	\$0	\$0	\$0	
16%	Income Eligible Total	\$16,327,228	\$16,331,261	\$4,033	0%
2%	Residential New Construction	\$1,608,910	\$1,609,170	\$259	0%
5%	ENERGY STAR® HVAC	\$5,535,634	\$5,536,597	\$963	0%
15%	EnergyWise	\$15,670,418	\$15,674,283	\$3,865	0%
1%	EnergyWise Multifamily	\$1,346,761	\$1,347,041	\$281	0%
2%	Home Energy Reports	\$2,147,183	\$2,147,183	\$0	0%
0%	ENERGY STAR® Lighting		\$0	\$0	
2%	Residential Consumer Products	\$2,494,131	\$2,494,513	\$382	0%
0%	Energy Efficiency Education	\$0	\$0	\$0	
0%	Comprehensive Marketing - Residential	\$310,484	\$310,484	\$0	0%
0%	Community Based Initiatives - Residential	\$280,564	\$280,564	\$0	0%
2%	Residential ConnectedSolutions	\$1,970,926	\$1,971,393	\$467	0%
0%	Residential Pilots	\$0	\$0	\$0	
0%	Residential Workforce Development	\$0	\$0	\$0	
31%	Residential Total	\$31,365,011	\$31,371,228	\$6,217	0%
1%	EERMC	\$850,331	\$850,331	\$0	0%
1%	OER	\$1,139,073	\$1,101,682	-\$37,390	-3%
	Rhode Island Infrastructure Bank	\$3,737,491	\$3,737,491	\$0	0%
6%	Regulatory Total	\$5,726,895	\$5,689,504	-\$37,390	-1%
100%	Portfolio Total	\$103,720,738	\$102,018,013	-\$1,702,725	-2%



Electric Lifetime Cost to Achieve (\$/kWh)

\$/LIFETIME kWh

Program	2023 (3rd Draft)	2023 (Filed)	2023 (Filed) Compared to 2023 (3rd Draft)	
			Change (\$)	Change (%)
Small Business Direct Install	\$0.13	\$0.13	\$0.00	0%
Large Commercial New Construction	\$0.05	\$0.05	\$0.00	0%
Large Commercial Retrofit	\$0.07	\$0.09	\$0.02	24%
C&I Total	\$0.09	\$0.10	\$0.02	16%
Single Family - Income Eligible Services	\$0.54	\$0.54	\$0.00	0%
Income Eligible Multifamily	\$0.25	\$0.25	\$0.00	0%
Income Eligible Total	\$0.42	\$0.42	\$0.00	0%
Residential New Construction	\$0.10	\$0.10	\$0.00	0%
ENERGY STAR® HVAC	\$0.08	\$0.08	\$0.00	0%
EnergyWise	\$0.93	\$0.93	\$0.00	0%
EnergyWise Multifamily	\$0.14	\$0.14	\$0.00	0%
Home Energy Reports	\$0.09	\$0.09	\$0.00	0%
ENERGY STAR® Lighting			\$0.00	
Residential Consumer Products	\$0.08	\$0.08	\$0.00	0%
Residential Total	\$0.19	\$0.19	\$0.00	0%
Portfolio Total	\$0.13	\$0.15	\$0.02	12%



Electric Annual Cost to Achieve (\$/kWh)

\$/ANNUAL kWh

Program	2023 (3rd Draft)	2023 (Filed)	2023 (Filed) Compared to 2023 (3rd Draft)	
Small Business Direct Install	\$0.84	\$0.84	\$0.00	0%
Large Commercial New Construction	\$0.81	\$0.81	\$0.00	0%
Large Commercial Retrofit	\$0.53	\$0.64	\$0.11	17%
C&I Total	\$0.73	\$0.84	\$0.11	13%
Single Family - Income Eligible Services	\$4.96	\$4.96	\$0.00	0%
Income Eligible Multifamily	\$3.42	\$3.42	\$0.00	0%
Income Eligible Total	\$4.44	\$4.44	\$0.00	0%
Residential New Construction	\$2.07	\$2.07	\$0.00	0%
ENERGY STAR® HVAC	\$1.33	\$1.33	\$0.00	0%
EnergyWise	\$4.98	\$4.98	\$0.00	0%
EnergyWise Multifamily	\$1.98	\$1.98	\$0.00	0%
Home Energy Reports	\$0.09	\$0.09	\$0.00	0%
ENERGY STAR® Lighting			\$0.00	
Residential Consumer Products	\$0.56	\$0.56	\$0.00	0%
Residential Total	\$0.83	\$0.83	\$0.00	0%
Portfolio Total	\$0.94	\$1.03	\$0.09	8%



Electric Portfolio Net Benefits

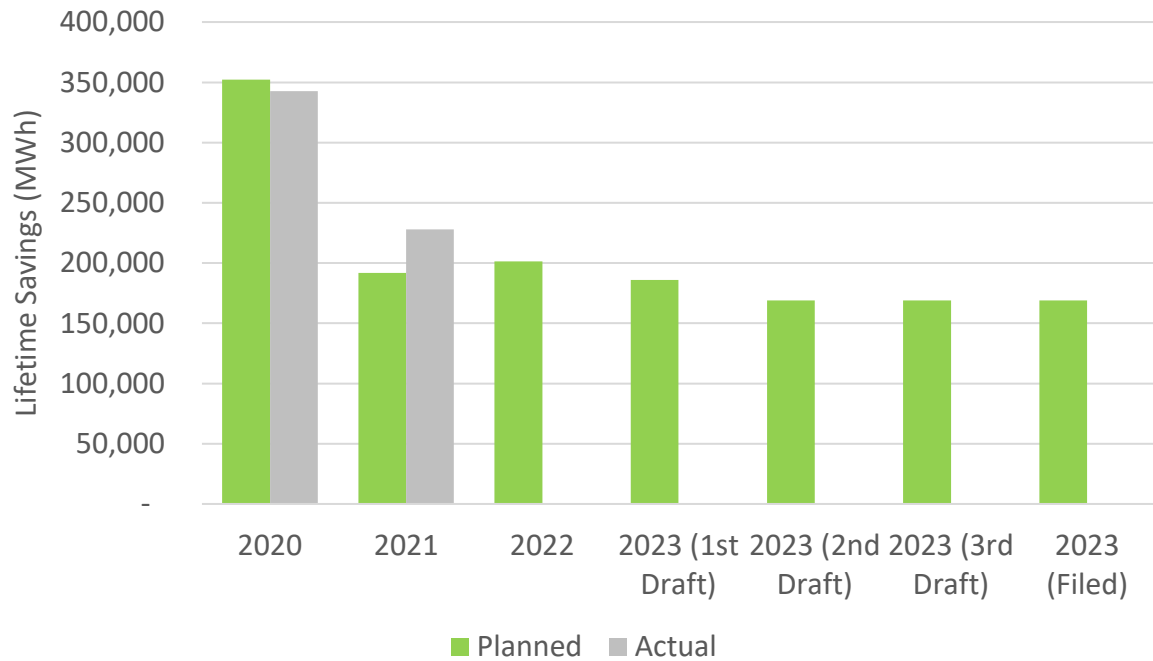
Electric Total Benefits

% of 2023 Portfolio	Program	2023 (1st Draft) - Net Benefits	2023 (Filed) - Net Benefits	2023 (Filed) Compared to 2023 (1st Draft)	
				Amount	%
6%	Small Business Direct Install	\$2,983,230	\$10,897,554	\$7,914,324	265%
16%	Large Commercial New Construction	\$17,982,417	\$43,431,622	\$25,449,204	142%
33%	Large Commercial Retrofit	\$46,198,667	\$78,196,680	\$31,998,014	69%
4%	Commercial ConnectedSolutions	\$6,175,100	\$6,636,967	\$461,866	7%
59%	C&I Total	\$73,339,414	\$139,162,823	\$65,823,408	90%
9%	Single Family - Income Eligible Services	\$8,797,764	\$16,316,650	\$7,518,886	85%
2%	Income Eligible Multifamily	\$986,868	\$2,418,192	\$1,431,324	145%
11%	Income Eligible Total	\$9,784,632	\$18,734,841	\$8,950,210	91%
3%	Residential New Construction	\$3,700,101	\$6,621,911	\$2,921,810	79%
9%	ENERGY STAR® HVAC	\$16,170,307	\$22,218,792	\$6,048,485	37%
10%	EnergyWise	\$4,285,666	\$16,878,109	\$12,592,442	294%
1%	EnergyWise Multifamily	\$1,422,614	\$3,368,219	\$1,945,606	137%
2%	Home Energy Reports	\$4,418,293	\$5,059,171	\$640,878	15%
0%	ENERGY STAR® Lighting	\$0	\$0	\$0	
3%	Residential Consumer Products	\$6,380,034	\$8,158,690	\$1,778,656	28%
1%	Residential ConnectedSolutions	\$1,517,595	\$1,090,503	-\$427,092	-28%
30%	Residential Total	\$37,894,610	\$63,395,395	\$25,500,785	67%
100%	Portfolio Total	\$121,018,656	\$221,293,060	\$100,274,404	83%

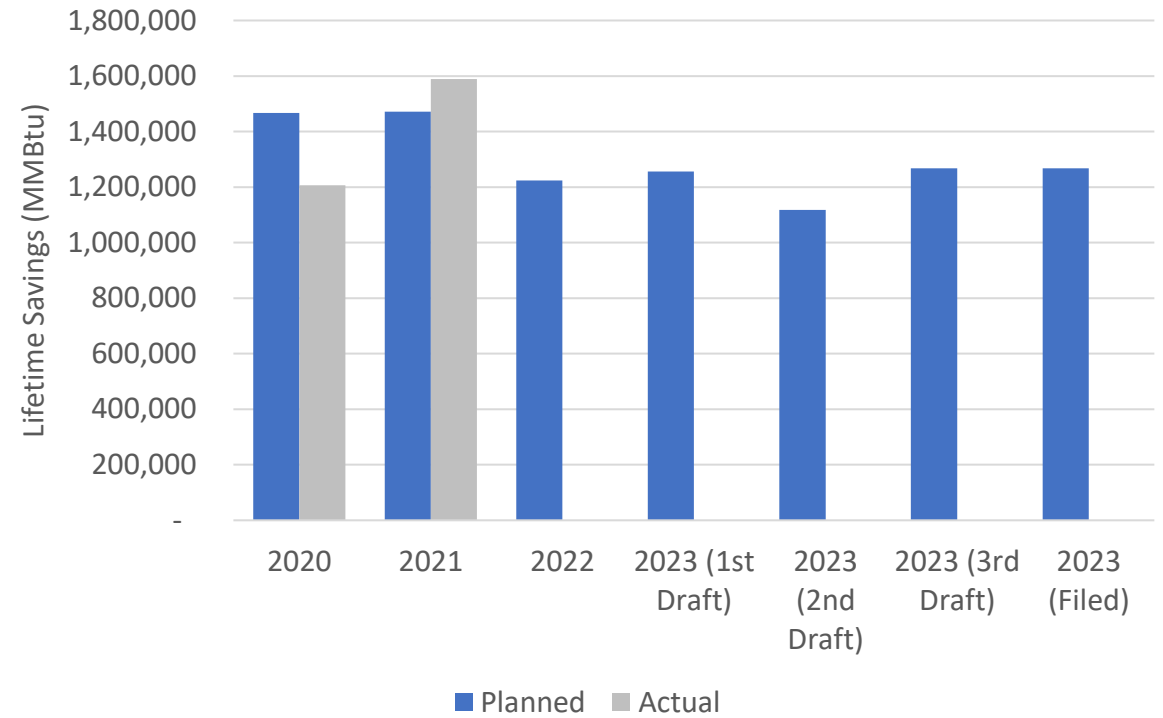


Residential Lifetime Savings

Electric Lifetime Savings (MWh) - Residential Total



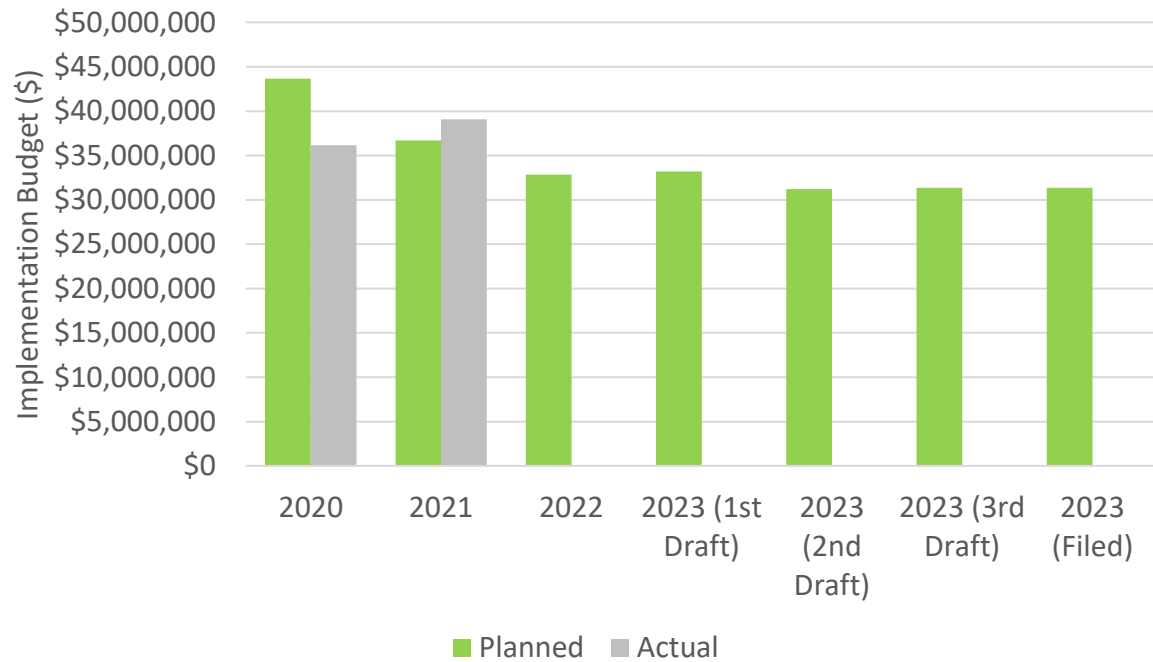
Gas Lifetime Savings (MMBtu) - Residential Total



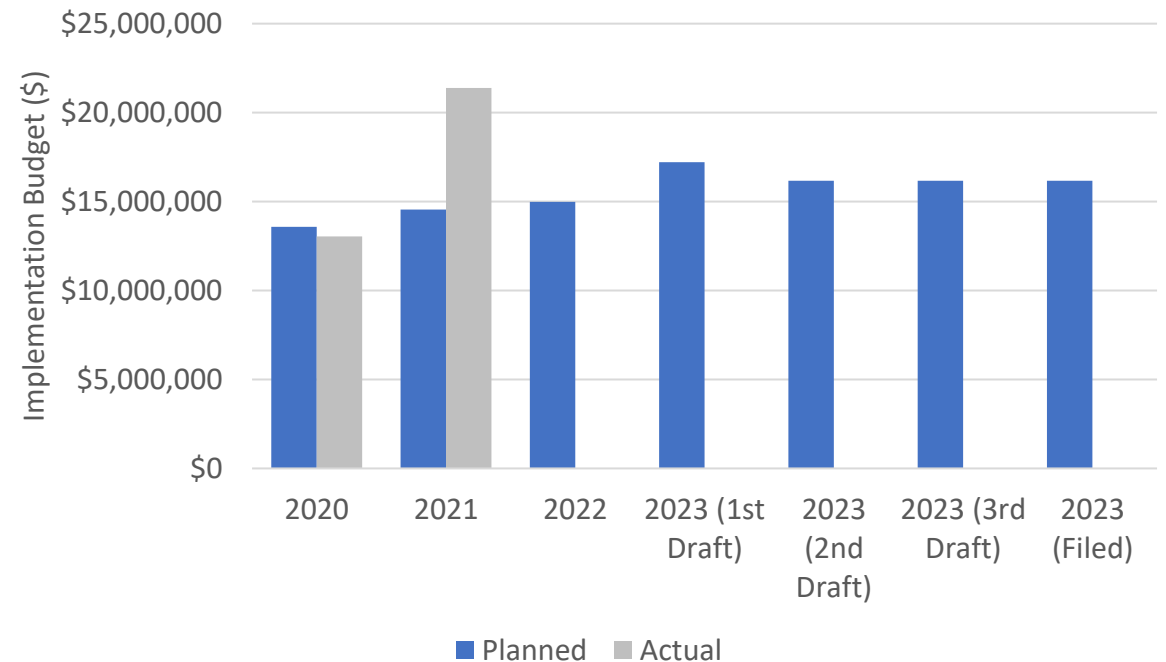


Residential Implementation Budget

Electric Implementation Budget (\$) - Residential Total



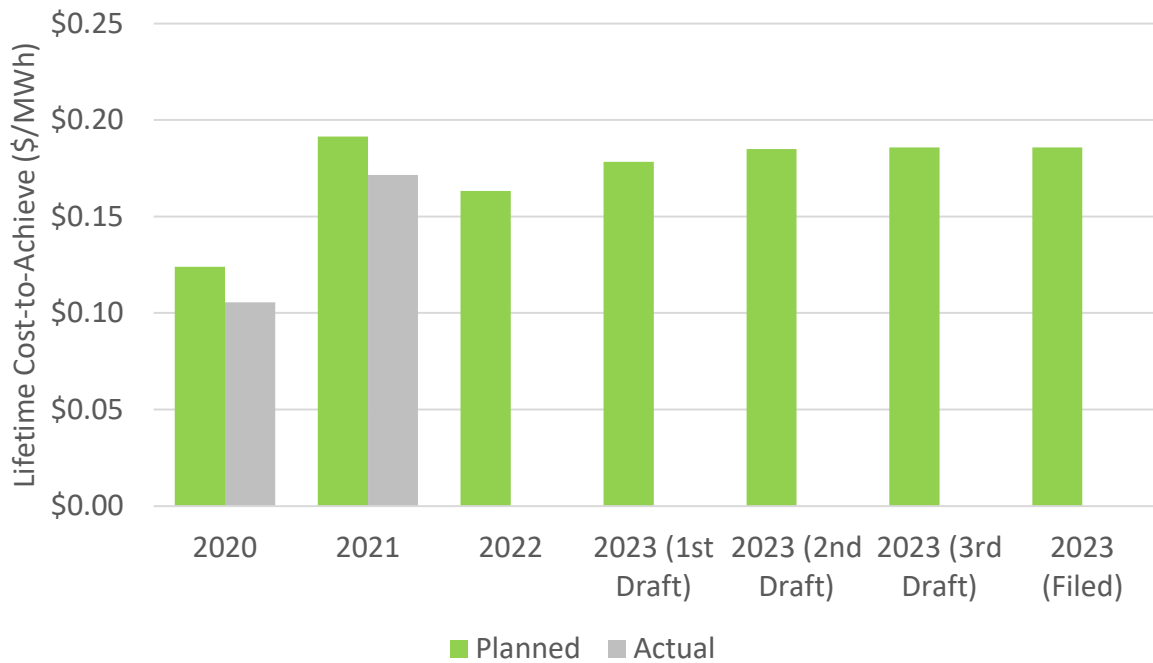
Gas Implementation Budget (\$) - Residential Total



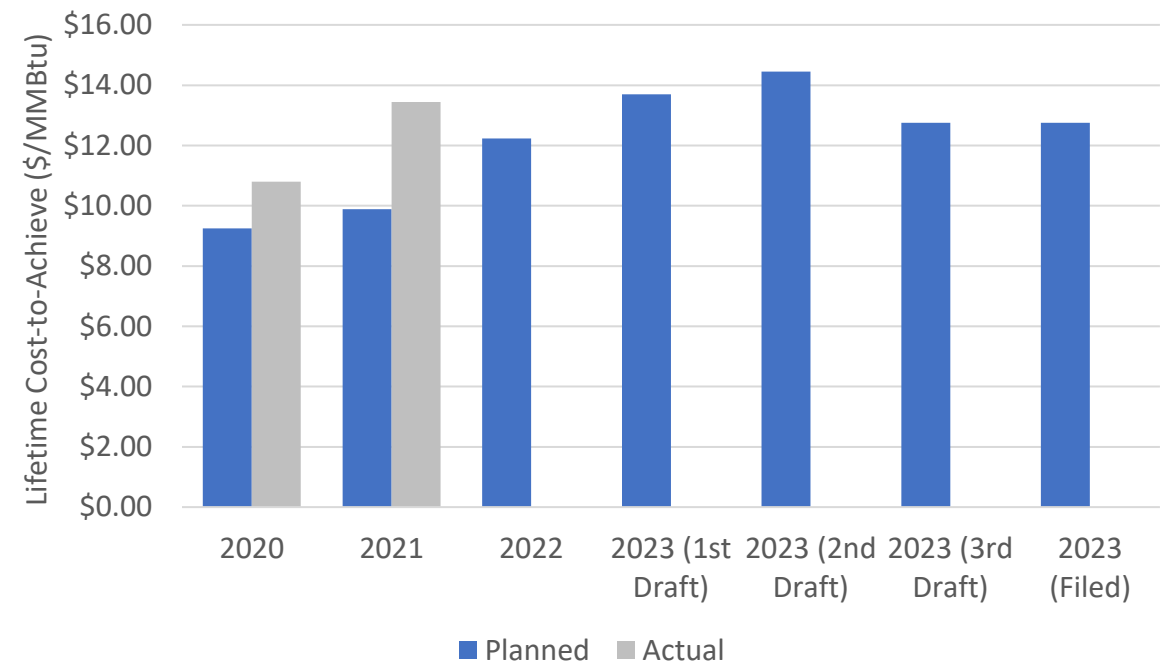


Residential Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Residential Total



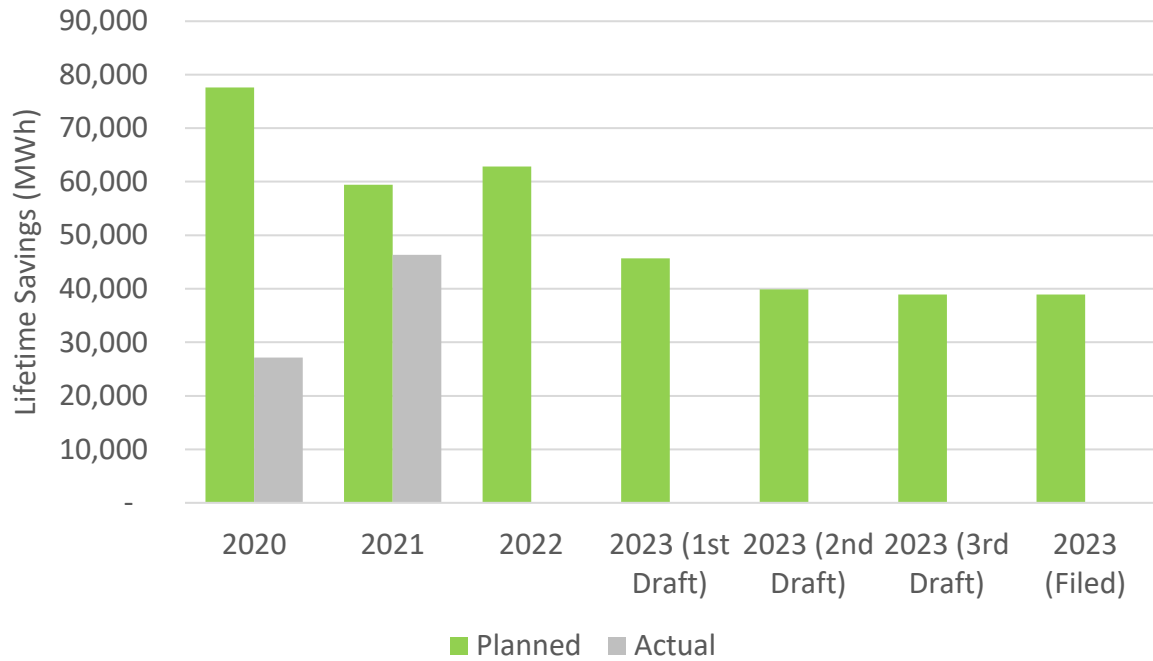
Gas Cost to Achieve (\$/Lifetime MMBtu) - Residential Total



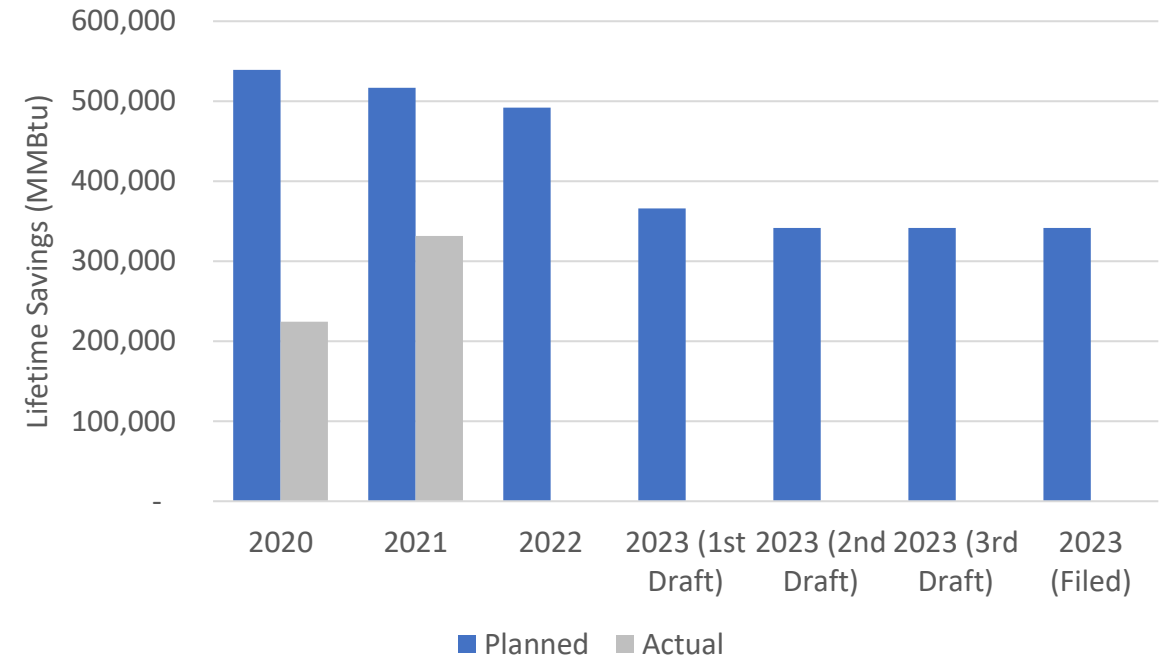


Income Eligible Lifetime Savings

Electric Lifetime Savings (MWh) - Income Eligible Total



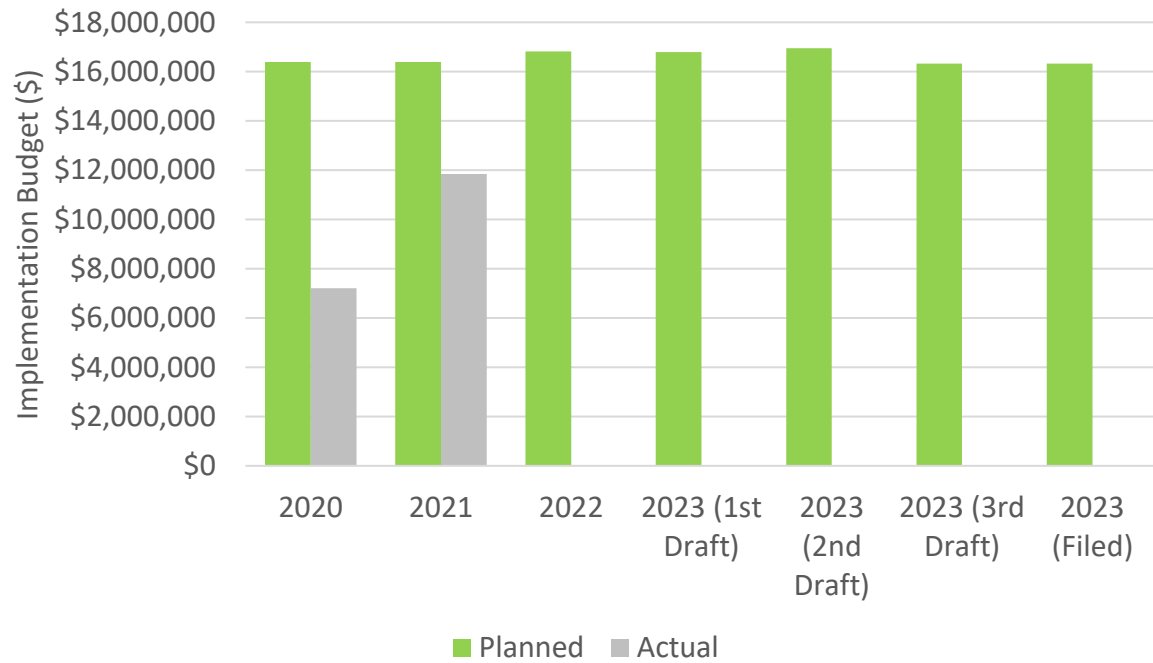
Gas Lifetime Savings (MMBtu) - Income Eligible Total



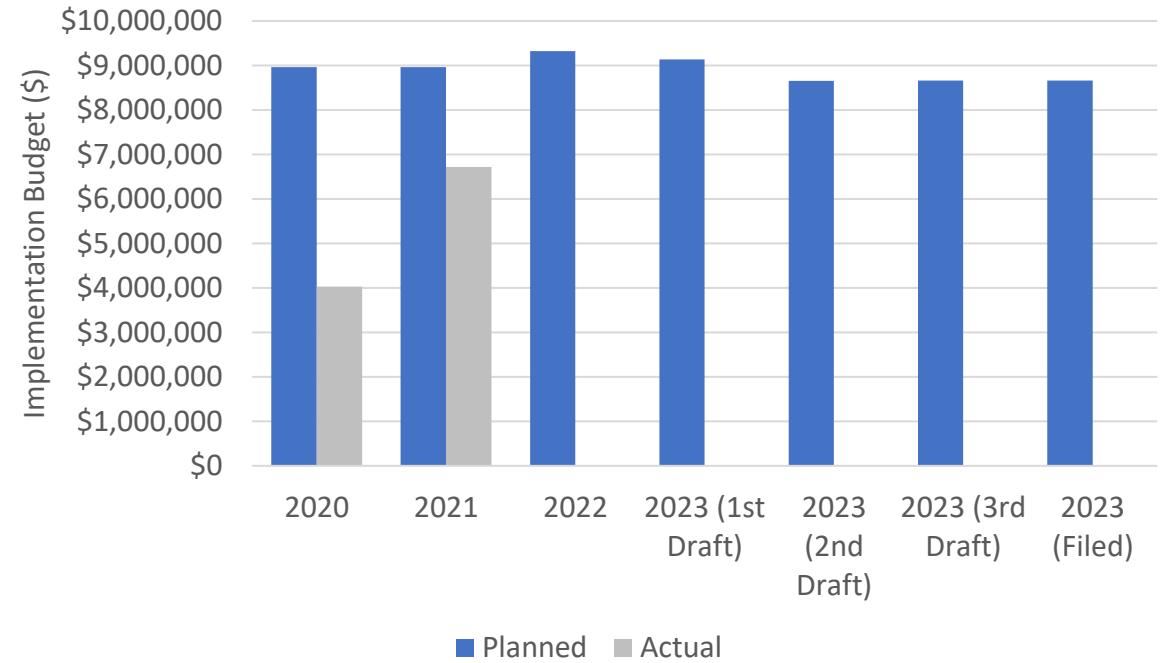


Income Eligible Implementation Budget

Electric Implementation Budget (\$) - Income Eligible Total



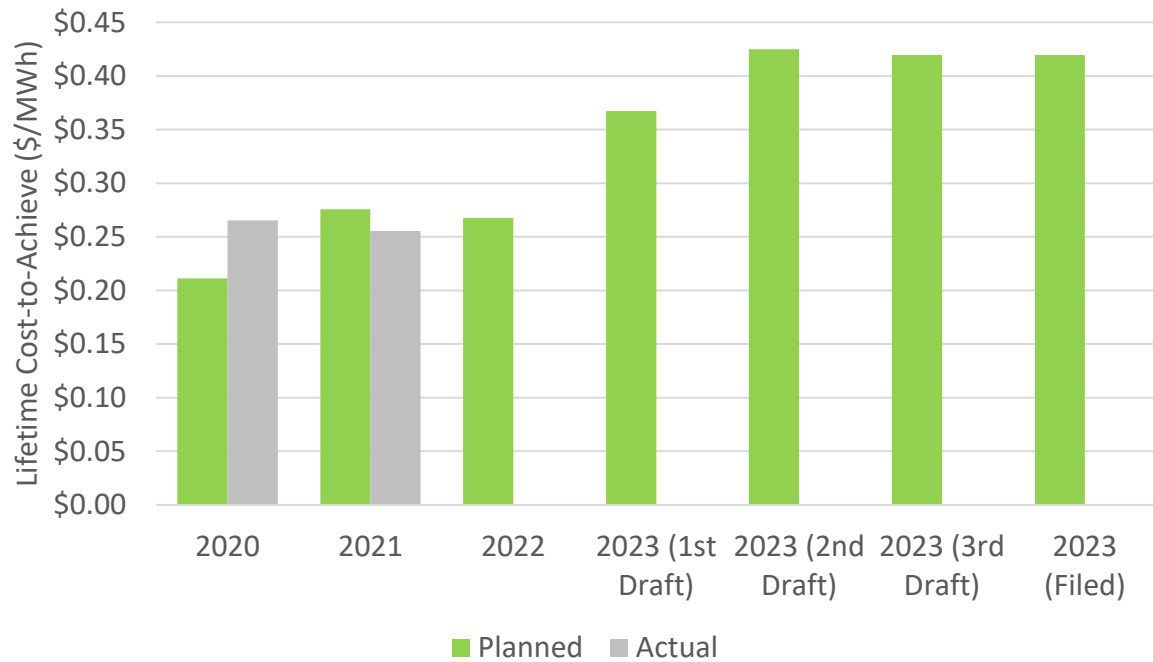
Gas Implementation Budget (\$) - Income Eligible Total



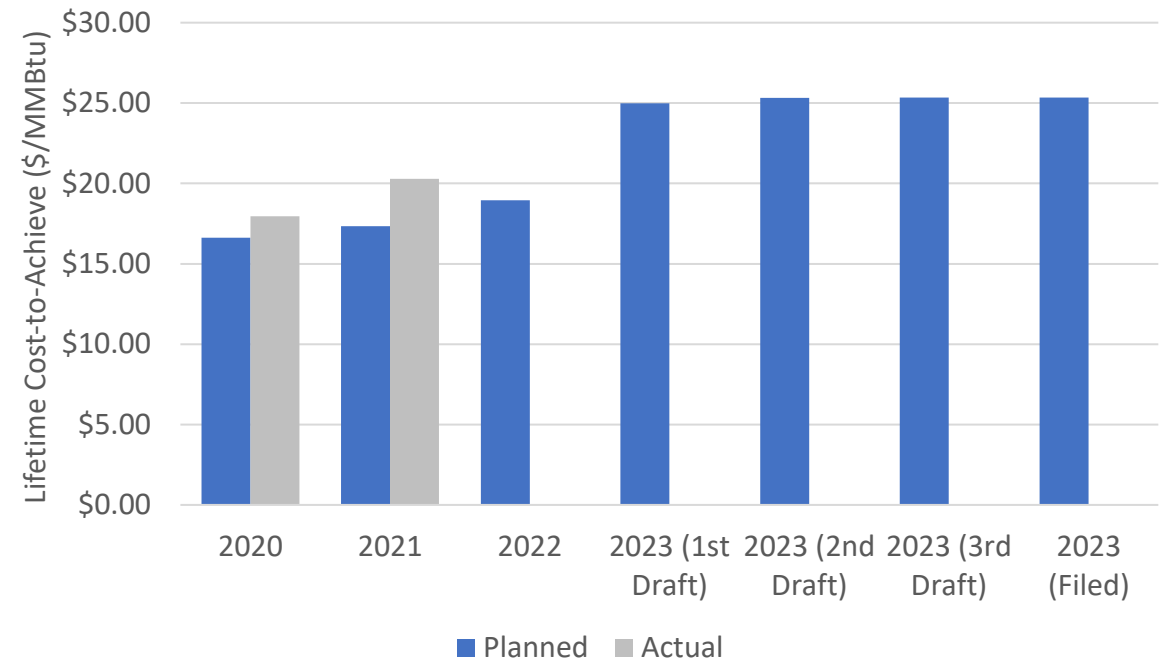


Income Eligible Lifetime Cost-to-Achieve

Electric Cost to Achieve (\$/Lifetime kWh) - Income Eligible Total



Gas Cost to Achieve (\$/Lifetime MMBtu) - Income Eligible Total

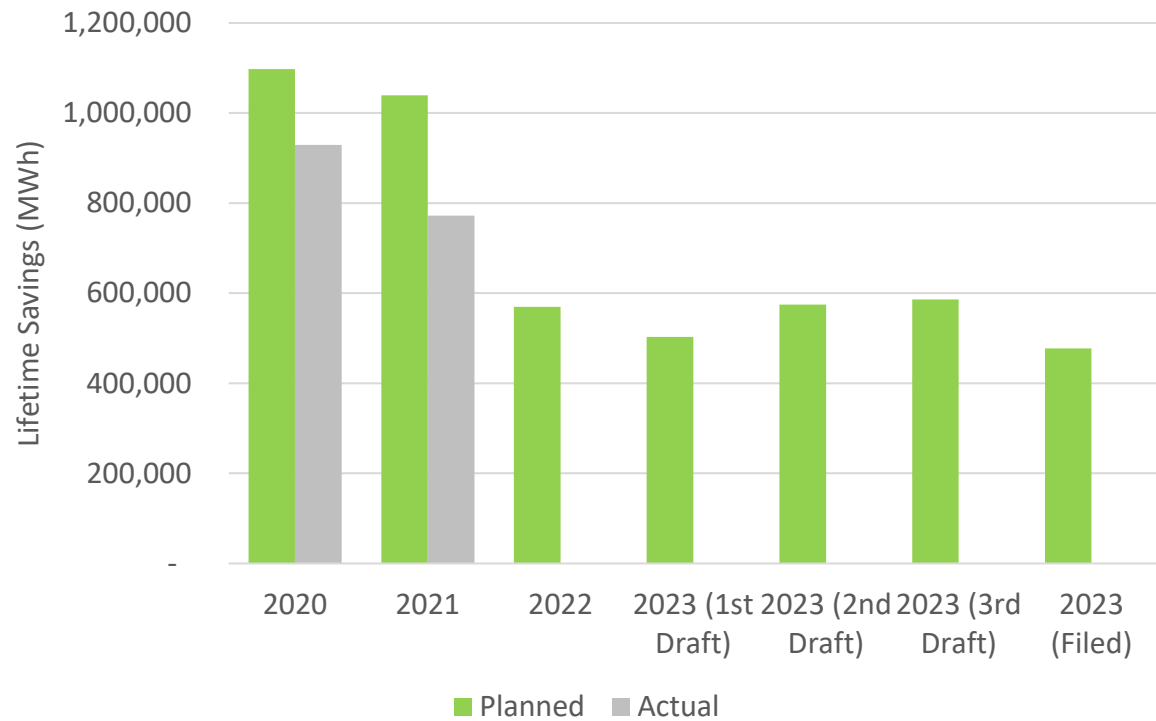




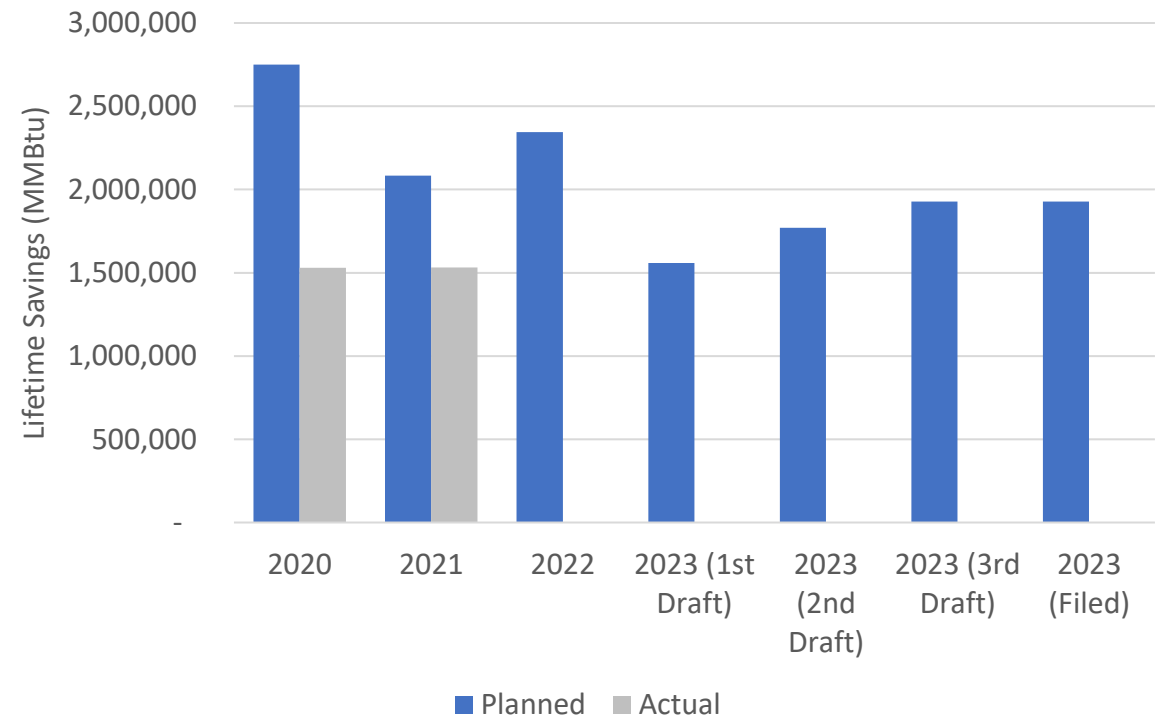
C&I Lifetime Savings



Electric Lifetime Savings (MWh) - C&I Total



Gas Lifetime Savings (MMBtu) - C&I Total

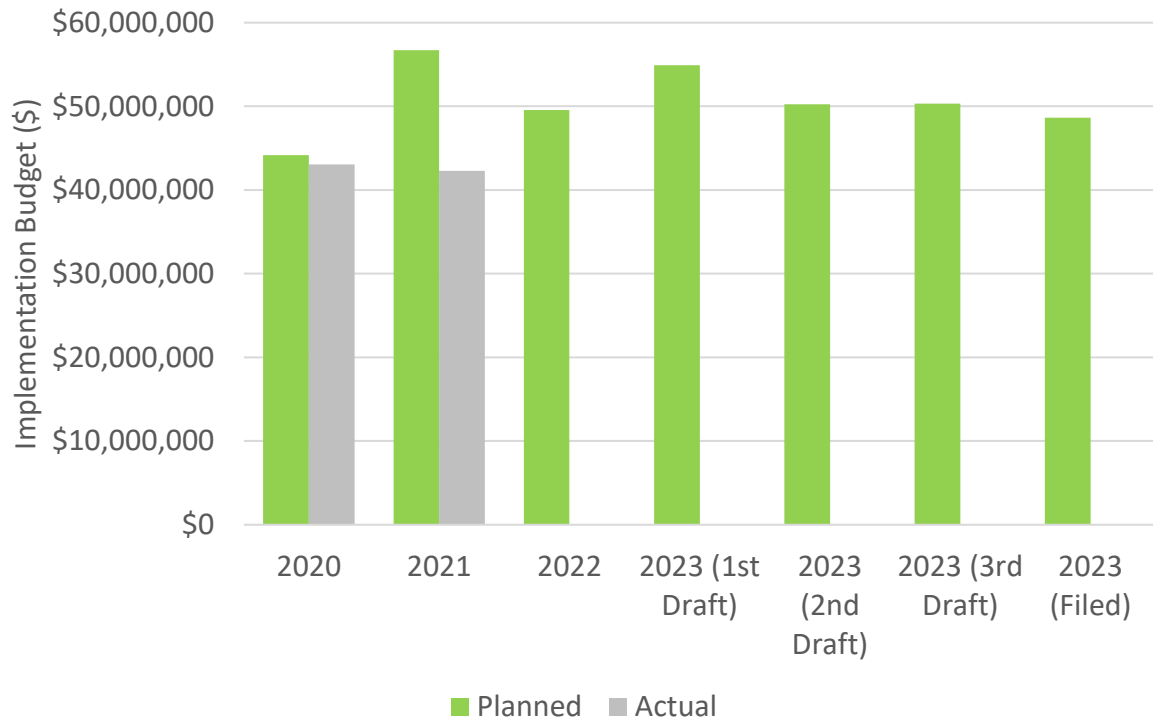




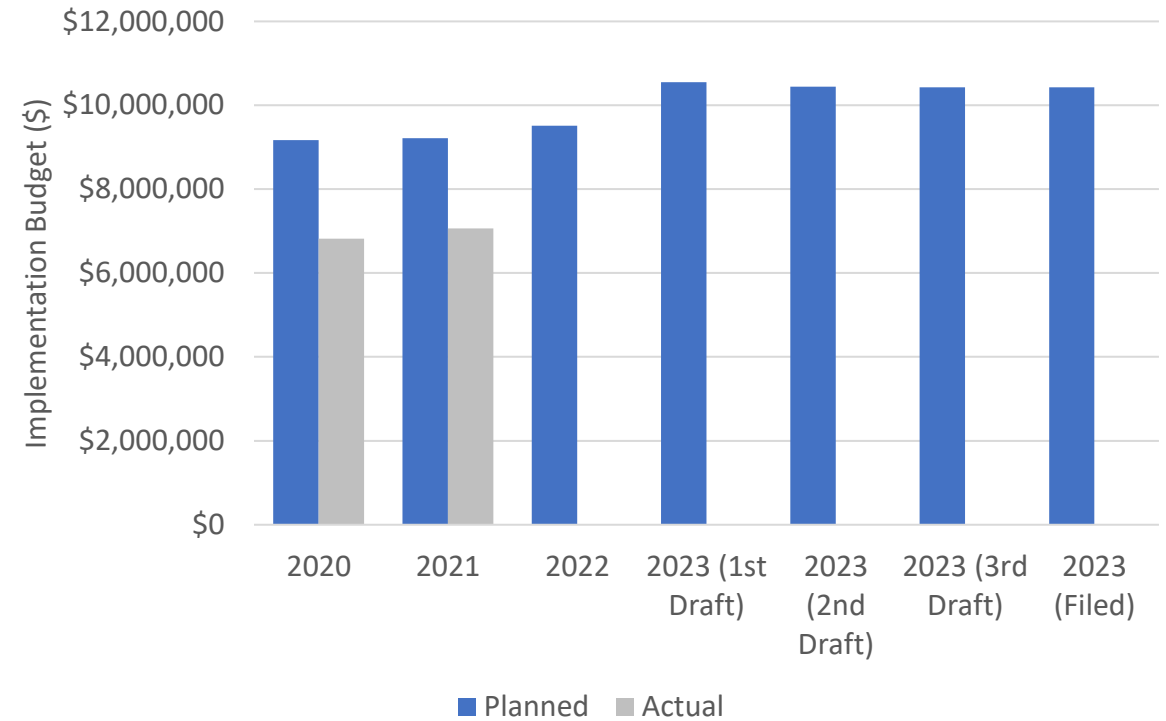
C&I Implementation Budget



Electric Implementation Budget (\$) - C&I Total

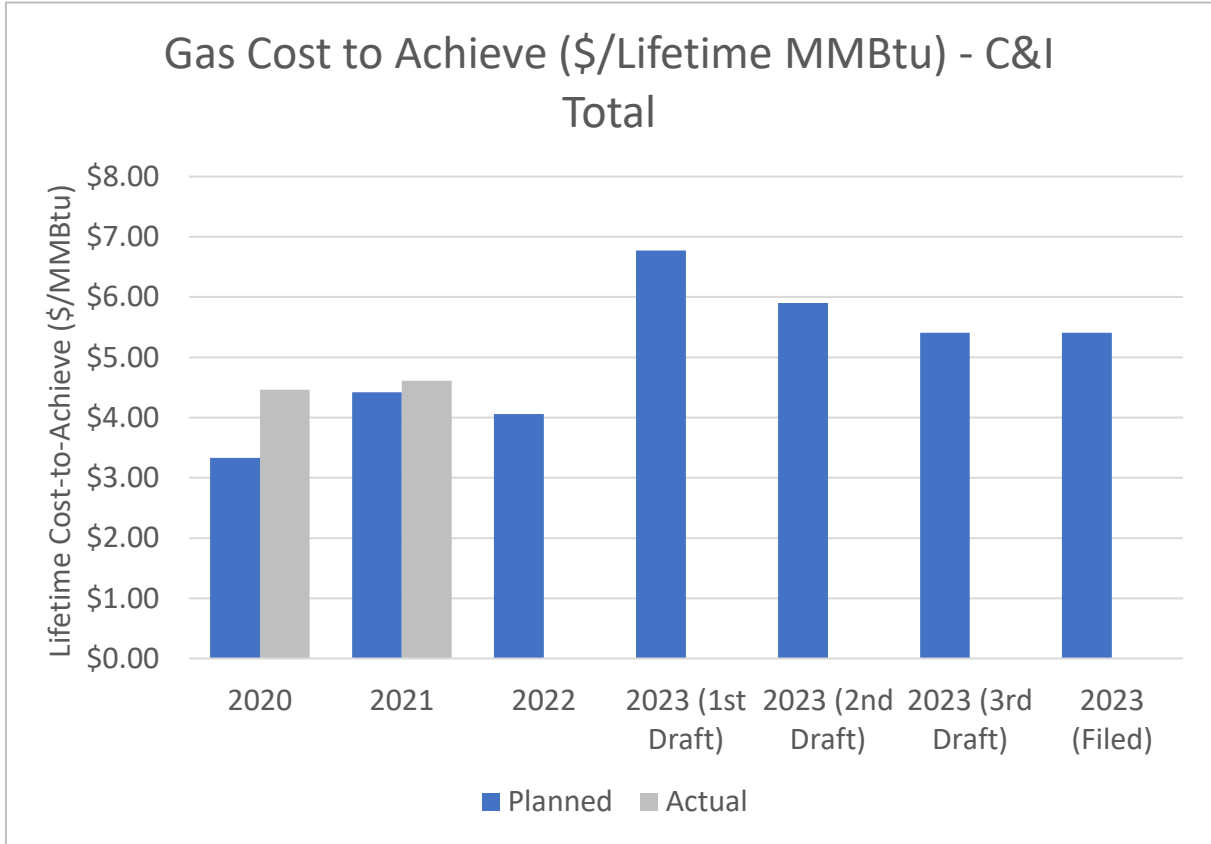
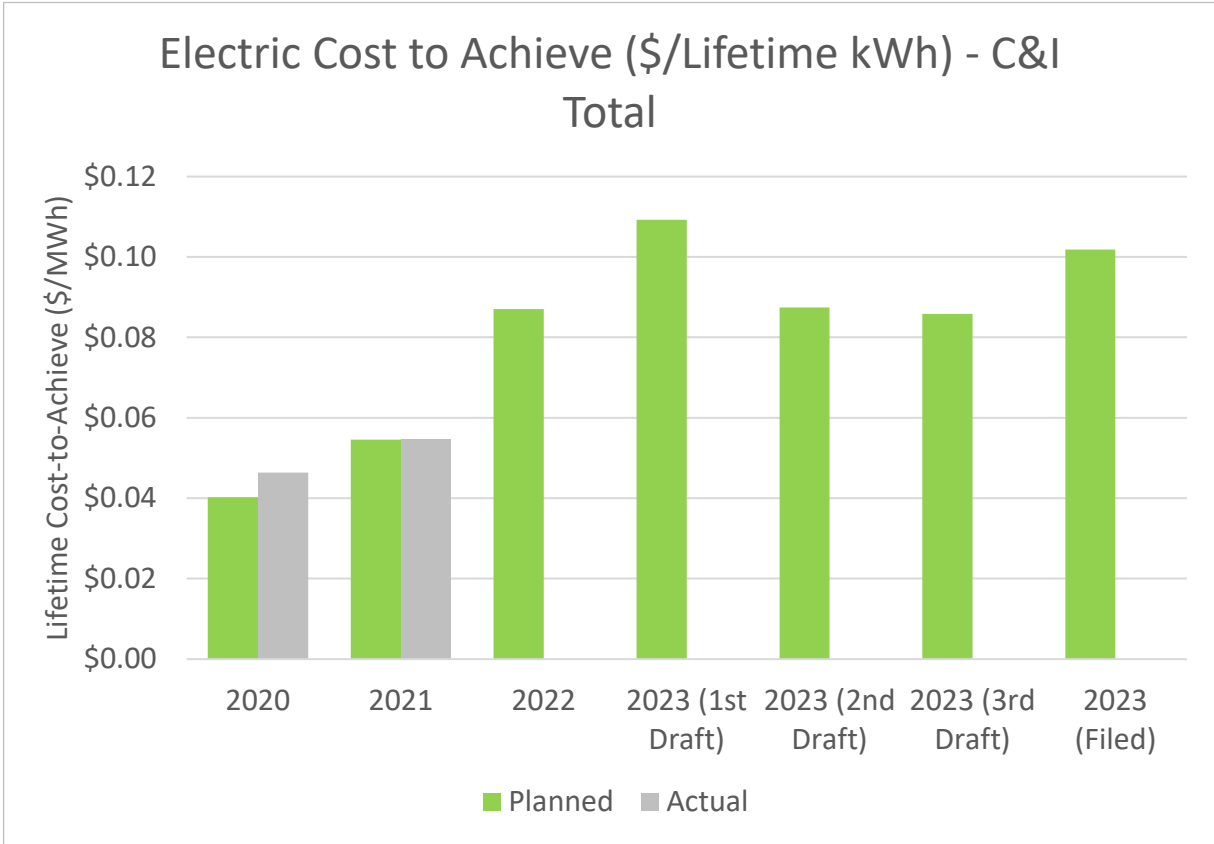


Gas Implementation Budget (\$) - C&I Total





C&I Lifetime Cost-to-Achieve

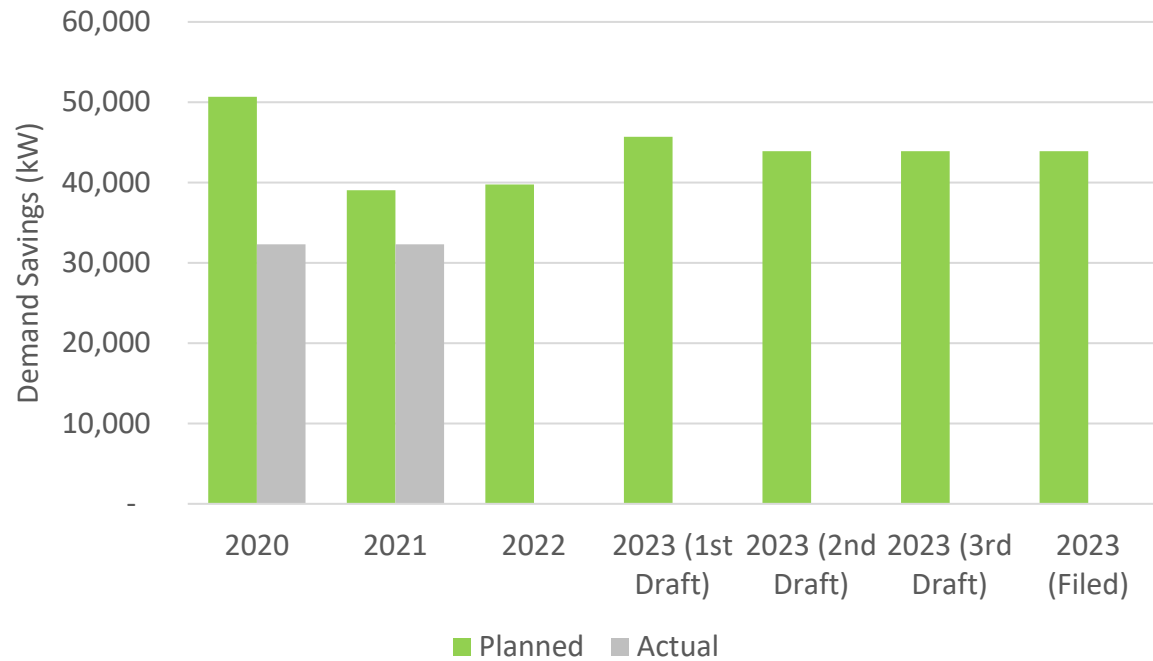




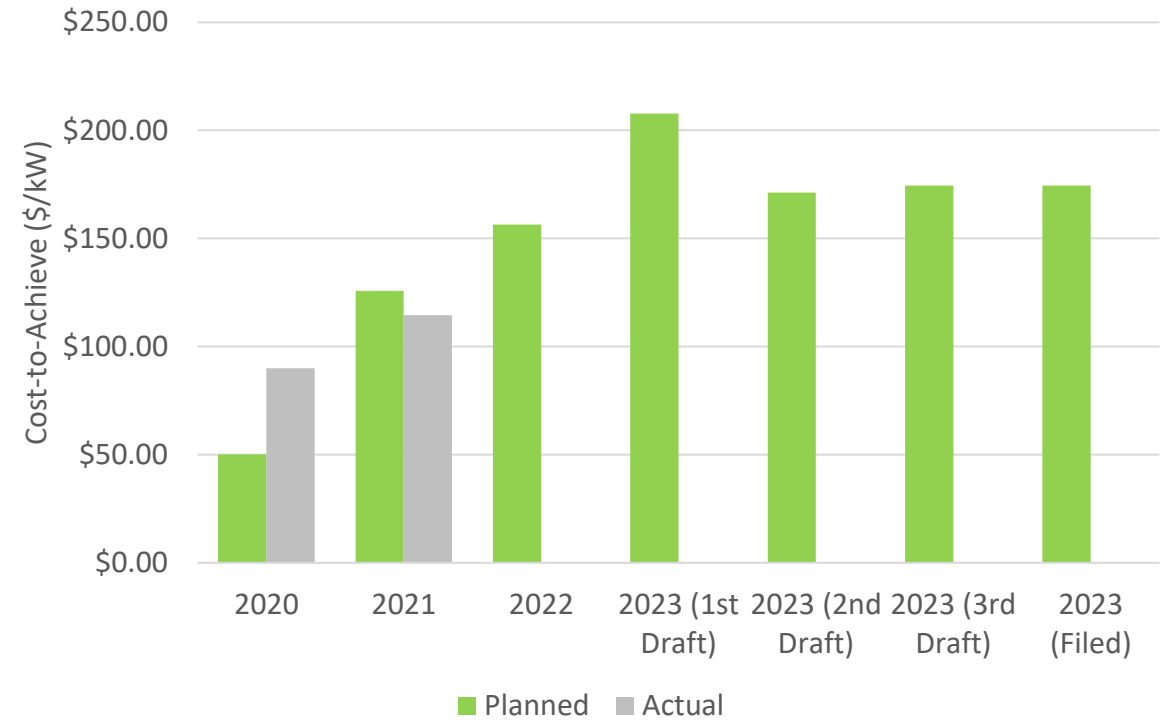
Active Demand – Electric Portfolio



Electric Demand Savings Savings (kW) - Portfolio Total



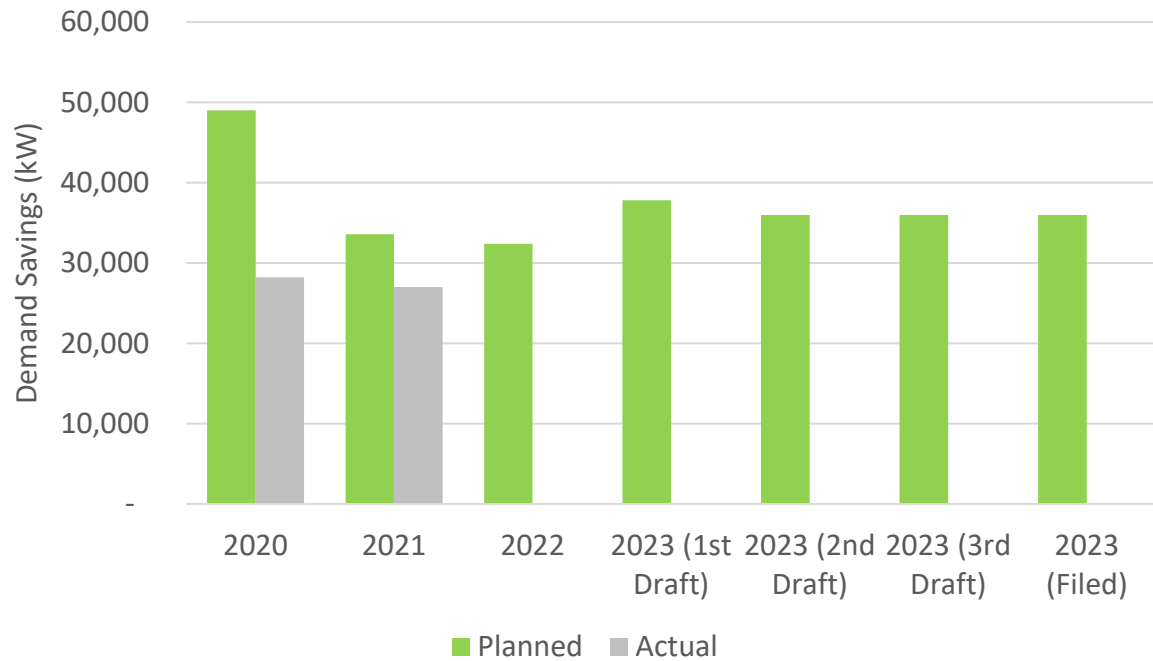
Electric Cost to Achieve (\$/kW) - Portfolio Total



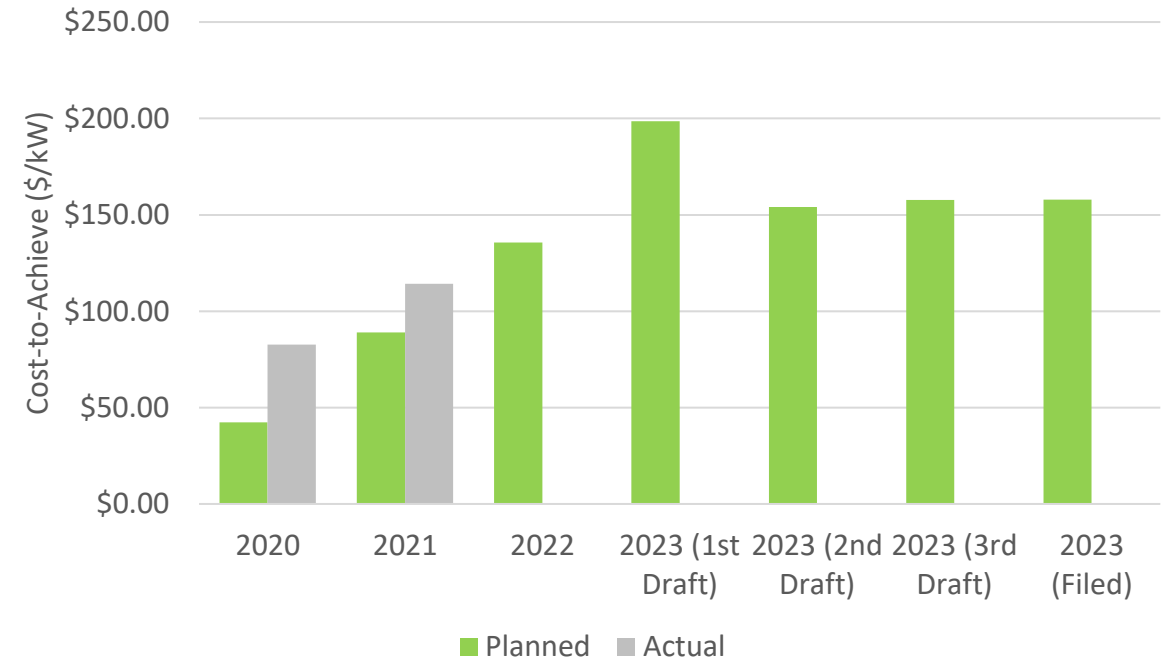


Active Demand – C&I Connected Solutions

Electric Demand Savings (kW) - Commercial Connected Solutions



Electric Cost to Achieve (\$/kW) - Commercial Connected Solutions

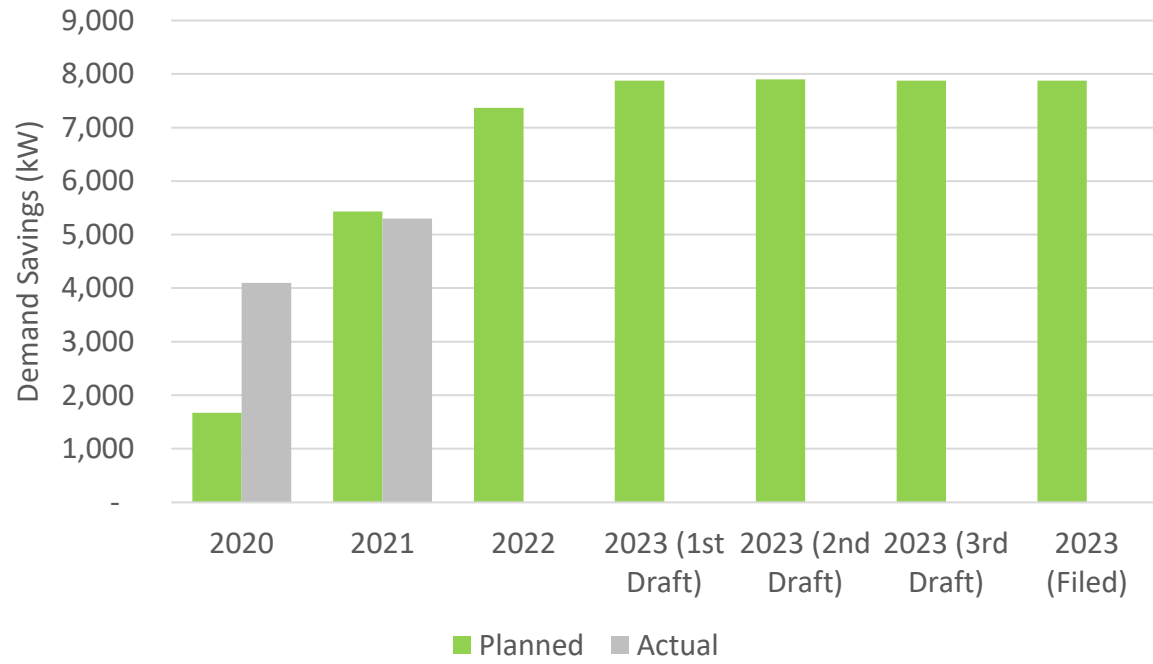




Active Demand – Res Connected Solutions



Electric Demand Savings Savings (kW) - Residential Connected Solutions



Electric Cost to Achieve (\$/kW) - Residential Connected Solutions

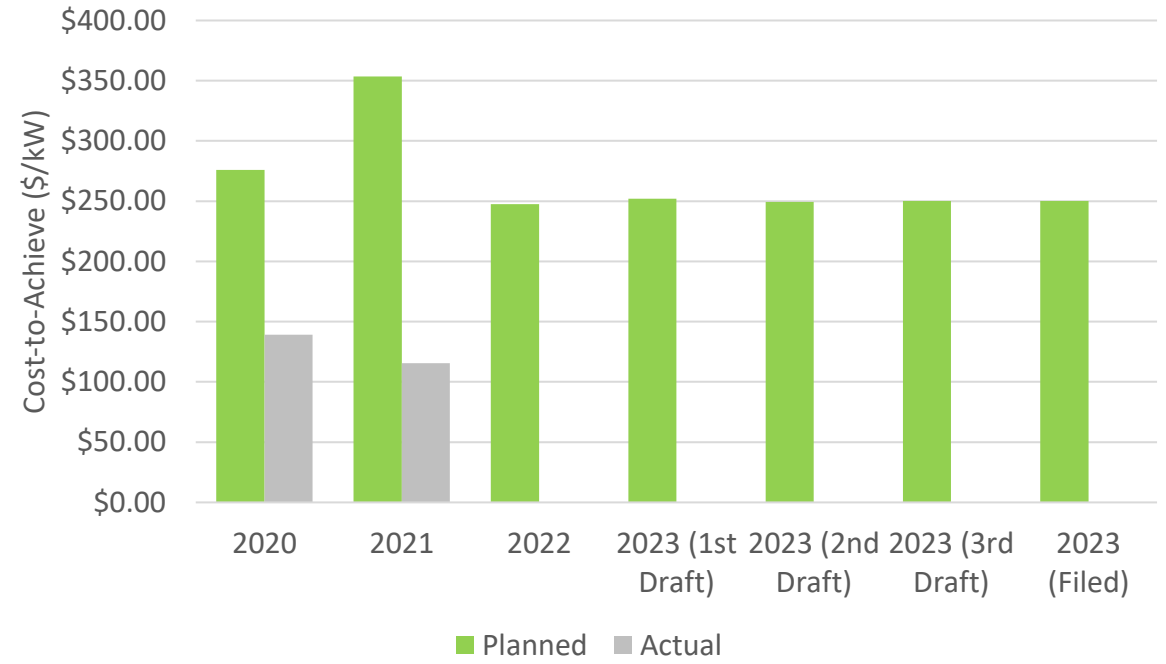


Exhibit 18

Cost-Effectiveness Report:

Rhode Island Energy's 2023 Energy Efficiency Plan

An Assessment and Report by

EERMC Consultant Team

Lead authors: Sam Ross & Craig Johnson

Working on Behalf of the



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

Submitted to the Rhode Island Public Utilities Commission

October 12, 2022

Summary of Consultant Team Findings

The Energy Efficiency and Resource Management Council (EERMC) Consultant Team finds that the *Annual Energy Efficiency Plan for 2023* (the “2023 EE Plan”), reviewed and endorsed by the Council on September 29, 2022, and filed September 30, 2022 by Rhode Island Energy (“the Company”), is cost-effective according to the “Rhode Island Test” (RI Test) and the historically referenced Total Resource Cost (TRC) test.

The EERMC submits these findings in compliance with the Least Cost Procurement (LCP) Standards adopted on July 23, 2020 by the Rhode Island Public Utilities Commission (PUC):

“The Council shall prepare memos on its assessment of the cost effectiveness of the EE Plans, pursuant to R.I. Gen. Laws §39-1-27.7(c)(5), and submit them to the PUC no later than three weeks following the filing of the respective EE Plans with the PUC, or in accordance with the procedural schedule set in the applicable docket.”

These findings and the remainder of this report were distributed to the EERMC on September 27, 2022 and presented to the EERMC by the EERMC Consultant Team at its September 29, 2022 meeting, where they were approved and adopted in a vote of the EERMC.

I. Introduction

This report was prepared by the Consultant Team and the EERMC to help fulfill the requirements of R.I.G.L. § 39-1-27.7(c)(5) related the PUC’s approval of the Company’s three-year procurement plan and related annual energy efficiency plans. Since 2010, the EERMC has directed the Consultant Team to prepare this report for all three-year and annual plans filed with the PUC. This version addresses the Company’s proposed *Annual Energy Efficiency Plan for 2023* (the “2023 EE Plan”), reviewed and endorsed by the Council on September 29, 2022. This report submits our finding that the EE Plan is cost-effective as evidence to the PUC. It also describes the nature and process of the review.

In order to assess the cost-effectiveness of the 2023 EE Plan, the EERMC Consultant Team reviewed the details of the Company’s Benefit-Cost Models (“BC Models”) for each draft of the 2023 EE Plan to ensure that they accurately reflect the proposed program designs in the Plans, recent evaluation results, and relevant TRM inputs (Section III). The Consultant Team reviewed and provided detailed comments on the first draft of the 2023 EE Plan on July 29th, provided technical comments on the BC Model August 5th, and engaged in a detailed review of the second draft 2023 EE Plan and associated BC Model upon receiving these documents from the Company on September 8th and 9th, respectively. The Consultant Team provided content on its findings to help inform the EERMC ahead of the September 29th EERMC vote.

II. Cost-Effectiveness Review

The Consultant Team reviewed the draft and final 2023 EE Plan to assess whether the cost-effectiveness analyses reflect recent evaluation results and relevant TRM inputs and are otherwise accurate.

As a result of these activities, the Consultant Team communicated with analysts and sector managers from the Company to address issues and questions related to program design and cost effectiveness. In numerous cases, this resulted in revisions to the 2023 EE Plan. Our key findings are that:

- The modeling and cost-effectiveness assumptions reviewed were sufficiently supported for the portfolio proposed by the Company, either in their original form or after iterating based on review provided during this process. Any issues identified in the BC Models or in the 2023 EE Plan related to cost-effectiveness analysis were addressed at the portfolio and program level by the Company's analyst team.
- The Company appropriately used new results from both Rhode Island and relevant Massachusetts evaluations that were recently completed to update multiple measure baselines, net-to-gross ratios, measure lives, and other measure assumptions.

The final 2023 EE Plan presents the cost-effectiveness of the proposed 2023 programs using both the TRC and the RI Test. Table 1, below, summarizes the results in terms of benefit-cost ratio. Note that for this EE Plan, the Company is only reporting the RI Test without economic benefits included. This is a result of deliberations that occurred during the hearings on the 2022 EE Plan in Docket 5189. Even considering the RI Test without the economic benefits, both the electric and gas portfolios are robustly cost-effective; electric portfolio benefits are approximately 151% greater than total costs of the investments in 2023, while gas portfolio benefits exceed costs by 197%.

Table 1. RI Test and TRC Test BCR Values

Portfolio	RI Test (without Economic Benefits)	TRC Test
Electric	2.51	1.36
Gas	2.97	1.54

The RI Test seeks to include a more complete set of benefits that better reflects state policy compared to the TRC. Importantly, the benefits associated with efficiency programs, including

reductions in greenhouse gas (GHG) emissions, have been included by relying on the 2021 version of the *Avoided Energy Supply Costs in New England* report (AESC). This year, the Company has proposed to consider the social cost of carbon in the Rhode Island Cost Test, which differs from past practice which had relied on the marginal abatement cost method for assigning a dollar value to avoided greenhouse gas emissions. Specifically, the 2023 EE Plan proposes to utilize an updated social cost of carbon (SCC) based on a supplemental study to the 2021 AESC¹. As stated in the 2023 EE Plan²:

“The AESC 2021 Supplemental Study found that the SCC was \$393/short ton, levelized over a 15-year period, and the May re-release of the 2021 AESC study found that the New England MAC (electric sector) was \$124/short ton, levelized over a 15-year period, both values being in 2021 dollars.”

A small portion of this value – representing the near-term value of carbon reductions given current and likely future carbon regulation – is already included or “embedded” in the avoided energy costs that compose a portion of the benefits under the TRC Test. Therefore, the RI Test includes the remaining value of carbon emissions up to the full per-ton value. The 2021 AESC also quantified benefits for non-embedded nitrogen oxide (NOx) reduction benefits. These are much smaller than the non-embedded GHG reduction benefits, but they do appear on the figures below as an additional benefit under the RI Test.

Increased spending from installing energy efficiency measures creates jobs in the local economy. Participant and program spending on efficiency often has positive benefits to the local economy as a greater portion of total efficiency costs are spent locally than is the case for the costs of additional supply. Yet these benefits are typically not included in TRC benefit calculations because they are difficult to quantify, requiring a regional economic model. Such an analysis was conducted for the Company in 2014, and updated in 2019, the results of which form the basis for the economic benefits historically included in the RI Test.³ During review of the economic development benefits in the 2022 EE Plan in Docket 5189, concerns were raised regarding whether the economic development benefits are capturing some of the benefits reflected in other RI Test categories. As a result, it was determined that economic development benefits should be reported separately from, rather than added together with, the other RI Test benefit

¹ The AESC 2021 Supplemental Study can be found at: https://www.synapse-energy.com/sites/default/files/AESC_2021_Supplemental_Study-Update_to_Social%20Cost_of_Carbon_Recommendation.pdf

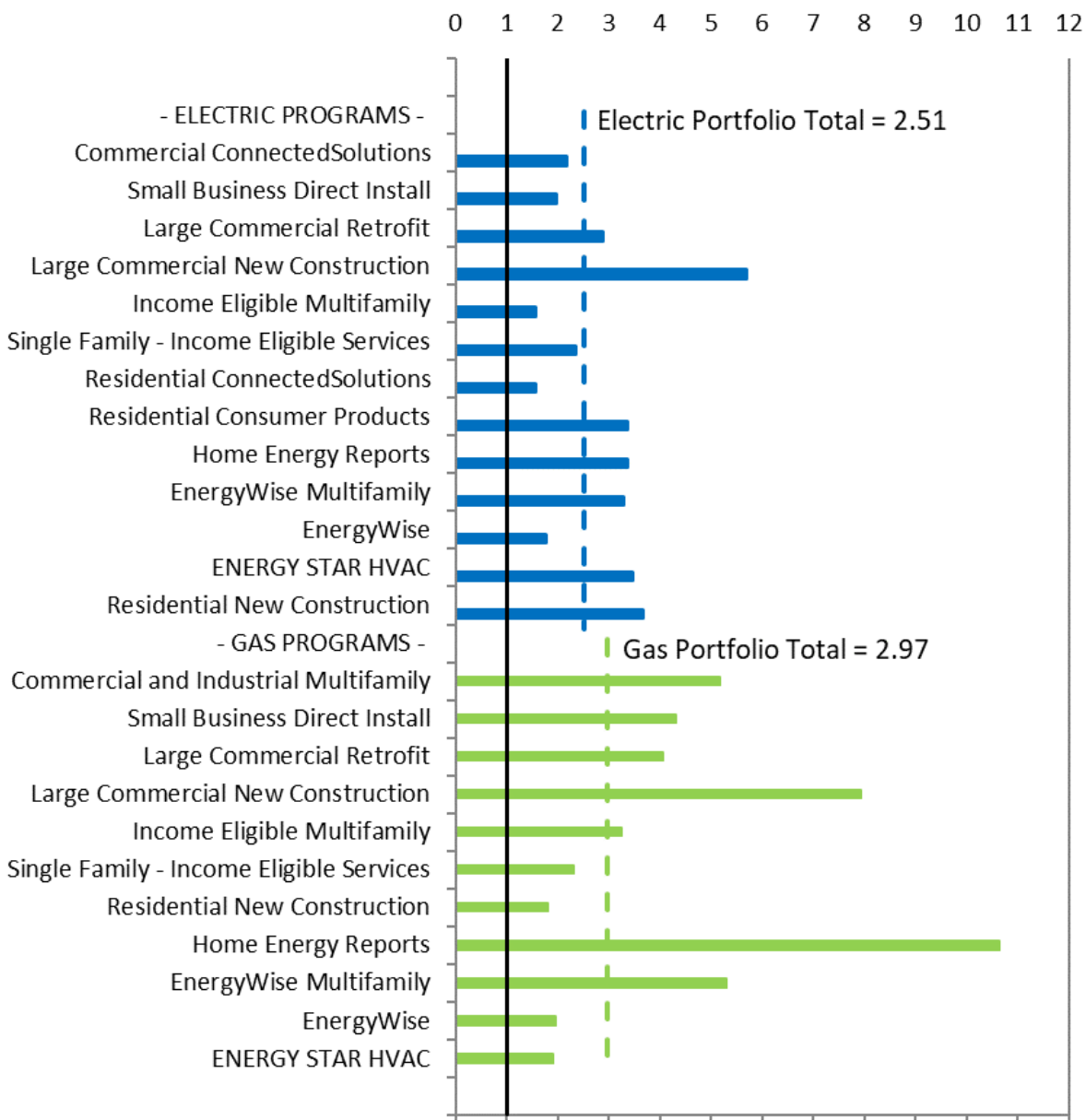
² This quote is drawn from the second draft of Rhode Island Energy's Annual Energy Efficiency Plan for 2023, Attachment 4, page 13. The second draft can be found at: <http://rieermc.ri.gov/wp-content/uploads/2022/09/2023-rie-annual-energy-efficiency-plan-second-draft.pdf>

³ Macroeconomic Impacts of Rhode Island Energy Efficiency Investments: REMI Analysis of National Grid's *Energy Efficiency Programs*, National Grid Customer Department, November, 2014.

and cost categories, to avoid any potential double counting. Consequently, economic development benefits are not part of the calculation of RI Test BCRs in this report.

The Consultant Team has reviewed the quantification of the GHG reduction and economic benefits in the RI Test. Figure 1 presents the results of the RI Test for the 2023 EE Plan in graphical form, and again demonstrates that both the electric and natural gas efficiency programs have a BCR greater than or equal to 1.0, as required by the PUC-approved LCP Standards and R.I.G.L. § 39-1-27.7 (c)(5).

Figure 1. RI Test Benefit Cost Ratios by Program



Figures 2 & 3, below, show the major components of both the costs and benefits of the portfolios for the 2023 EE Plan, reflecting the version of the RI Test that excludes economic development benefits. As noted in the table above, the electric and gas portfolios are both cost-effective using this version of the RI Test. On the cost side, note that the BCR calculation includes an allowance for the Company’s shareholder incentive at the nominal or “target” value.

Figure 2. 2023 Planned Electric Costs and Benefits

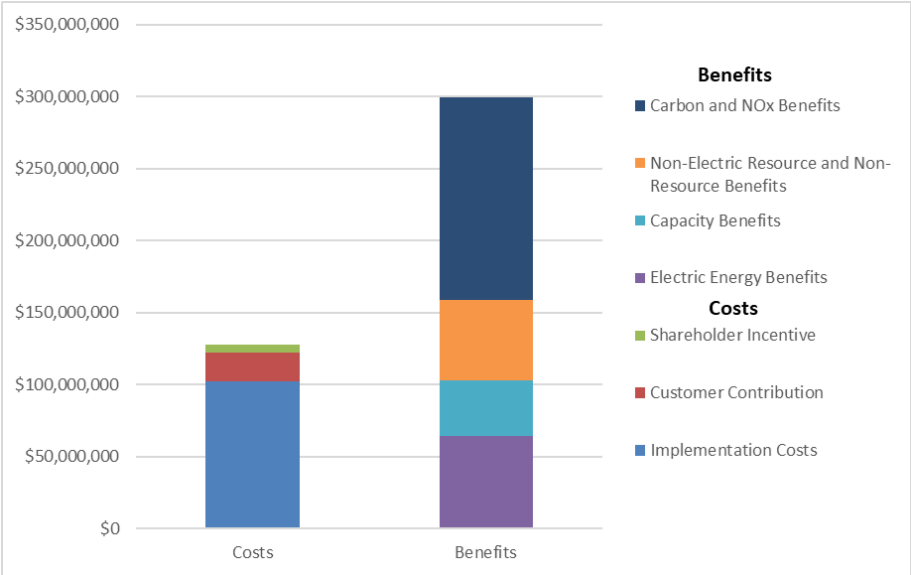
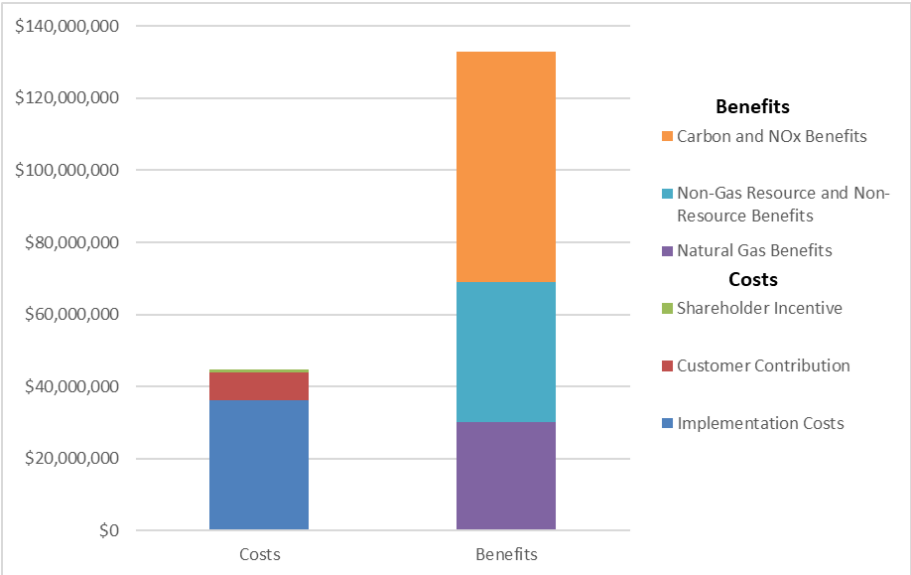


Figure 3. 2023 Planned Gas Costs and Benefits



The Consultant Team also reviewed the Company’s assessment of the cost of efficiency as compared to alternatives; the LCP standards require that efficiency be lower cost than acquisition of additional supply. The 2023 EE Plan reflects the updated guidance for assessing whether the cost of efficiency is less than the cost of supply. The Plan uses the RI Test as an appropriate starting point to determine which costs to include in this assessment. This test captures the aspects of the Docket 4600A Framework that pertain to energy efficiency programs. The source for many of these values is the aforementioned 2021 AESC Study. The benefits in the RI Test are associated with the cost savings to Rhode Island from investing in energy efficiency instead of investing in additional energy supply. For the purpose of the RI Test, these values are described as a benefit of energy efficiency in the form of avoided costs. It is reasonable to assume that these avoided cost values can also be applied as the costs of procuring additional energy supply for the purpose of this assessment. The RI Test also details what is considered a cost of energy efficiency. These are costs incurred by the utility to implement the 2023 EE Plan and the expense borne by the customer for its share of the energy efficiency measure cost.

The Plan enumerates all of the cost and benefit categories included in the RI Test and indicates which are included as a cost of efficiency, which are included as a cost of supply, and which are excluded from this comparison. The major categories that are excluded are economic development benefits, non-energy resource impacts such as water and sewer cost reductions, and other non-energy impact benefits other than those associated with income eligible rate discounts and reductions in arrearages. Tables 2 reflects the discussion in section 7.5 of the 2023 EE Plan, and shows that both the electric and gas portfolios, as proposed, are less than the cost of supply.

Table 2. Comparison of Cost of Electric Energy Efficiency and Alternative Supply

	Electric Portfolio	Gas Portfolio
Cost of Supply (\$M)	\$284.6	\$97.5
Cost of EE Programs (\$M)	\$125.6	\$44.7
Difference	\$159.0	\$52.8

Further, based on our participation in the discussions regarding this comparison and our review of the 2023 EE Plan, we believe that the Company has appropriately assessed the cost of efficiency and the cost of supply and determined that the former is less than the latter.

In summary, the EERMC Consultant Team concludes that the 2023 EE Plan meets the cost-effectiveness requirements of R.I.G.L. § 39-1-27.7(c)(5) and meets the revised LCP Standards guidance regarding the cost of efficiency and the cost of supply.

V. Conclusion

For the reasons stated herein, the EERMC and the EERMC's Consultant Team find that Rhode Island Energy's *Annual Energy Efficiency Plan for 2023* is cost-effective and is lower cost than the acquisition of additional supply pursuant to R.I.G.L. § 39-1-27.7 (c)(5).