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November 20, 2023

VIA ELECTRONIC MAIL AND HAND DELIVERY

Luly E. Massaro, Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

Dear Ms. Massaro:

Re: Docket No. 23-35-EE – 2024-2026 Three Year Energy Efficiency Plan and 2024 Annual Energy Efficiency Plan Responses to Division Data Requests – Set 5

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy ("Rhode Island Energy" or the "Company"), I have enclosed the Company's responses to the Fifth Set of Data Requests issued by the Division of Public Utilities and Carriers in the above-referenced docket.

Please contact me if you have any questions. Thank you for your attention to this matter.

Very truly yours,

Leticia Pimentel

Leticia C. Pimentel

cc: Docket 23-35-EE Service List

Boston | Hartford | New York | Washington, DC | Providence | Miami | Stamford | Wilmington | Philadelphia | Los Angeles | Albany | rc.com

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate were electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

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Heidi J. Seddon

November 20, 2023 Date

Docket No. 23-35-EE – Rhode Island Energy's EE Plan 2024-2026 Three-Year Plan and 2024 Annual EEP Service list updated 10/4/2023

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Division 5-1

Request:

Please refer to Table 1: 2024 Electric Non-Cost-Effective Measures in the Company's response to PUC 1-17 which shows heat pumps are not cost effective for the EnergyWise Multifamily and Income Eligible Multifamily programs. Please refer to Table 2: 2024 Gas Non-Cost-Effective Measures in the Company's response to PUC 1-17 which shows custom heating measures as not cost effective for the C&I Multifamily and Income Eligible Multifamily programs.

- a. Please describe the custom measures in the gas programs that are not cost effective for each program.
- b. Please discuss if there are any heating system replacements for existing Multifamily properties that are cost effective. If so, please describe what they are. Please breakout the response by program/sector.
- c. Please discuss the Company's strategy with respect to heating system replacements in existing Multifamily properties, within each sector and overall.

Response:

a. The following custom measures in the gas programs are not cost effective:

Program	Measure Code	Measure Description
Income Eligible	2024 Gas Income Eligible	Furnace, hydronic boiler, or
Multi-family	Multifamily HEATING _Custom LI	steam boiler
C&I Multifamily	2024 Gas C&I Multifamily Heating,	Furnace, hydronic boiler, or
	Custom	steam boiler

b. The following heating system replacements for multifamily are cost-effective:

Program	Measure Code	Measure Description
EnergyWise Multi-	2024 Gas EnergyWise Multifamily	Furnace, hydronic boiler, or
Family	Heating, Custom	steam boiler

The Narragansett Electric Company d/b/a Rhode Island Energy RIPUC Docket No. 23-35-EE In Re: 2024-2026 Three-Year Energy Efficiency Plan and 2024 Annual Energy Efficiency Plan Responses to the Division's Fifth Set of Data Requests Issued on November 8, 2023

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c. Heating system replacements in Market Rate Multi-family, Income Eligible Multifamily and C&I Multi-family programs are the primary driver of building owners when they are considering energy efficiency improvements to their buildings and participation in energy efficiency incentive programs. If the opportunity for incentives for heating system replacements were not offered the Company sees this as a lost opportunity to engage with multi-family building owners on energy efficiency improvements as a whole. In some instances, gas heating system replacements may be the best available option across the Market Rate Multi-family, Income Eligible Multi-family and C&I Multi-family sectors due to a variety of constraints including infrastructure limitations, cost concerns and fuel switching prohibitions. Every project is screened for cost-effectiveness and the Company can work to ensure that there is an up-to-date custom screening tool being used and only cost-effective projects progress.

Division 5-2

Request:

Please refer to the Company's response to PUC 1-40.

- a. Please provide the emissions rates used to derive the carbon value for each year.
- b. Please provide the carbon value.

Response:

a. Emissions rates (tons CO2/unit of energy) are not used to calculate the carbon value (\$/unit of energy savings) for each year.

As noted in the Company's response to PUC 1-40, the GHG Benefit is calculated as a function of the energy saved. The energy saved is multiplied by a Carbon Value that "is the cumulative net present value over the lifetime of the measure of the avoided non-embedded monetary value of a reduction in energy consumption in the costing period measured in dollars per kilowatt hour (the value used is based on the Marginal Abatement Cost (MAC) from the 2021 Avoided Energy Supply Component (AESC) Study)."

The Company used the following emissions rates to separately derive the GHG savings for each year included in the Plan (the rates are sourced from the 2021 AESC, Appendix G, Tables 171 and 172):

Emissions rate	Value	Unit
CO2 Electricity Equivalent	0.3941	Short Tons CO2 / MWh
CO2 Natural Gas Equivalent	0.0585	Short Tons CO2 / MMBTU
CO2 Oil Equivalent	0.0805	Short Tons CO2 / MMBTU
CO2 Propane Equivalent	0.0695	Short Tons CO2 / MMBTU

Both greenhouse gas (GHG) benefits, in dollars, and GHG savings, in tons, are calculated as a function of energy savings.

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b. The table below shows the carbon values, based on the MAC, used in the calculation of GHG benefits. Please note that starting in "Lifetime" row 10, incremental "Avoided Non-Embedded Carbon, Electricity (\$/kWh)" benefits are assumed to be \$0 due to Rhode Island's renewable portfolio standard target of 100% renewable energy by 2033.

	Avoided Non-Embedded Carbon, Electricity (\$/kWh)			Avoided Non-Embedded Carbon, Other Fuels (\$/MMBtu)			
Measure Lifetime (2024 installation)	Summer Peak	Summer Off-Peak	Winter Peak	Winter Off- Peak	Gas	Oil	Propane
1	\$0.05	\$0.07	\$0.05	\$0.06	\$7.81	\$9.67	\$9.28
2	\$0.11	\$0.13	\$0.11	\$0.12	\$15.66	\$18.31	\$18.60
3	\$0.16	\$0.20	\$0.16	\$0.18	\$23.25	\$26.67	\$27.62
4	\$0.21	\$0.26	\$0.20	\$0.23	\$30.82	\$35.00	\$36.62
5	\$0.26	\$0.31	\$0.25	\$0.28	\$38.39	\$43.34	\$45.61
6	\$0.31	\$0.36	\$0.29	\$0.33	\$45.46	\$51.12	\$54.01
7	\$0.35	\$0.41	\$0.33	\$0.37	\$52.59	\$56.03	\$62.48
8	\$0.39	\$0.45	\$0.37	\$0.40	\$59.12	\$60.52	\$70.24
9	\$0.43	\$0.49	\$0.40	\$0.44	\$65.07	\$64.61	\$77.30
10	\$0.43	\$0.49	\$0.40	\$0.44	\$70.58	\$68.41	\$83.86
11	\$0.43	\$0.49	\$0.40	\$0.44	\$75.63	\$71.88	\$89.85
12	\$0.43	\$0.49	\$0.40	\$0.44	\$80.20	\$75.02	\$95.28
13	\$0.43	\$0.49	\$0.40	\$0.44	\$84.39	\$77.90	\$100.26
14	\$0.43	\$0.49	\$0.40	\$0.44	\$88.22	\$80.54	\$104.81
15	\$0.43	\$0.49	\$0.40	\$0.44	\$91.73	\$82.95	\$108.98
16	\$0.43	\$0.49	\$0.40	\$0.44	\$94.94	\$85.16	\$112.79
17	\$0.43	\$0.49	\$0.40	\$0.44	\$97.88	\$87.18	\$116.28
18	\$0.43	\$0.49	\$0.40	\$0.44	\$100.57	\$89.03	\$119.47
19	\$0.43	\$0.49	\$0.40	\$0.44	\$103.03	\$90.73	\$122.40
20	\$0.43	\$0.49	\$0.40	\$0.44	\$105.28	\$92.28	\$125.08
21	\$0.43	\$0.49	\$0.40	\$0.44	\$107.34	\$93.70	\$127.52
22	\$0.43	\$0.49	\$0.40	\$0.44	\$109.23	\$94.99	\$129.77
23	\$0.43	\$0.49	\$0.40	\$0.44	\$110.95	\$96.18	\$131.82
24	\$0.43	\$0.49	\$0.40	\$0.44	\$112.54	\$97.27	\$133.70
25	\$0.43	\$0.49	\$0.40	\$0.44	\$113.98	\$98.27	\$135.42
26	\$0.43	\$0.49	\$0.40	\$0.44	\$115.31	\$99.18	\$136.99
27	\$0.43	\$0.49	\$0.40	\$0.44	\$116.52	\$100.01	\$138.43
28	\$0.43	\$0.49	\$0.40	\$0.44	\$117.63	\$100.77	\$139.75
29	\$0.43	\$0.49	\$0.40	\$0.44	\$118.64	\$101.47	\$140.95
30	\$0.43	\$0.49	\$0.40	\$0.44	\$119.57	\$102.11	\$142.06

Division 5-3

Request:

Please refer to the Company's response to PUC 1-21.

- a. When will the Company be implementing adjustments to the program "in light of new evaluation results as well as strong stakeholder interest in moving to a fully electric new construction program"?
- b. What is the Company's strategy with the electric and gas new construction programs in the interim?

Response:

- a. The Company is still in the process of assessing the Residential New Construction (RNC) program in light of new evaluation results as well as strong stakeholder interest in moving to a fully electric RNC program. If the Company's analysis indicates that the projected benefits from program changes are significant enough to outweigh the costs of changing the program, then the Company will propose these changes, likely in the 2025 Annual Plan.
- b. The Company's strategy with the electric and gas new construction programs in the interim is to continue to operate the program in a "business-as-usual" approach (i.e., there will be no significant changes until the Company's analysis is complete and it has reasons to believe there is significant purpose and logic to altering the program). The Company did, however, remove gas DHW (domestic hot water) measures from the RNC program in 2024 in response to strong stakeholder feedback to shift away from incentivizing new gas burning equipment.