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December 7, 2023

VIA ELECTRONIC MAIL AND HAND DELIVERY

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

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

Dear Ms. Massaro:

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 Public Utilities Commission 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 C. Pimentel

cc: Docket 23-35-EE Service List

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.

Heidi J. Seddon

December 7, 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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The Narragansett Electric Company
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PUC 5-1

Request:

Regarding the Company's response to PUC 2-2, please explain the following:

- a. Why do the totals in Table 1 not sum to 25,755 (the number of heat pump installations provided by the Company in response to Division 1-1 and Division 1-2)?
- b. The Company's response to part b did not answer the Commission's question. Please estimate the number of residential electric customers who will continue to primarily utilize electric resistance heat in 2027.

Response:

- a. The totals in Table 1 do not sum to 25,755 (the number of heat pump installations provided by the Company in response to Division 1-1 and Division 1-2) because the remaining data did not specify the fuel type. Based on the data, the Company did not collect the existing fuel type in homes from 2010 to 2018. Additionally, the total number of heat pump installations also includes homes with gas that installed a heat pump.
- b. The Company does not have a pre-existing estimate of the number of residential customers who will continue to primarily utilize electric resistance heat in 2027. Based on a quick analysis, the Company estimates that approximately 38,000 customers will continue to primarily utilize electric resistance heat in 2027. Please note the future impact from Clean Heat RI and federal funding was not included in calculating this estimate.

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PUC 5-2

Request:

In part c of the Company's response to PUC 2-4, the Company describes a recent analysis in which 12 program participants were selected to determine whether rebated heat pump systems met the home's primary heating load. Please provide a copy of the results of that analysis.

Response:

Please see Attachment PUC 5-2 for the analysis requested.

Rhode Island Energy 2022 Air Source Heat Pump Survey

Executive Summary

During the summer of 2022, the CLEAResult RI HVAC Program team conducted an Air Source Heat Pump (ASHP) survey of Rhode Island Energy residential customers with recent ASHP installations.

The objective of the survey was to determine whether the heat pumps installed in the homes were correctly sized to meet the heating load, whether the systems met the home's primary heating load, and whether customers removed their previous systems entirely, kept them in place but did not use them, or kept them in place and continued to use them for various purposes.

The team invited customers of RI HVAC Program Participating Contractors with recently installed ASHPs to participate in the survey, and 20 site visits were scheduled during July and August 2022.

These customers may have been eligible for standard rebates from Rhode Island Energy for installing heat pumps for cooling but were identified as customers who also intended to use their heat pumps for heating.

Process

Staff conducted 20 site visits to review the heating, cooling and domestic hot water systems installed in the home and discuss fuel usage and performance of the heat pumps with the homeowner.

Staff collected fuel usage (electric, oil, propane) for the year prior to installation through the first year of operation after installation.

Staff performed Manual J load calculations to determine the heating and cooling loads.

Of the 20 participant sites visited:

- All had fossil fuel heat (oil/propane)
- 18 Manual J load calculations were completed. Two sites were found to be challenging.
 - One site was a triple decker multi-family building without a ASHP on the top floor
 - One site used an electric hot tub all winter, making isolating electric usage difficult
- Of the 18 sites analyzed, several sites had complications:
 - One site advised they also used an electric hot tub all winter
 - One site advised us, on arrival, that they were only a summer residence

- One site was a side-by-side duplex with ASHP on one side only
- One site had a separate boiler for an in-law apartment
- One customer had a family emergency that prevented further participation
- Four customers have not yet provided delivered fuel bills for completing fuel analysis

Results

The team was able to perform a complete comparative fuel use analysis on 9 of the installations for the 2022 ASHP Survey with very consistent results.

- In all cases the ASHPs installed were less than half the heating capacity of the existing fossil fuel heating systems
- All ASHPs installed were a near perfect match to the Manual J load calculations
- In all cases the newly installed ASHPs were sized and designed to meet the primary heating load of the homes
- In all cases homeowners used the ASHPs to meet their primary heating needs through the winter heating season
 - 2 homeowners removed their fossil fuel heating systems completely
 - 7 homeowners kept their existing systems in place
 - 2 homeowners no longer used their systems for heat but continued to use their existing fossil fuel heating systems for domestic hot water
 - 5 homeowners also continued to use their existing fossil fuel systems for domestic hot water, but used them occasionally for back-up heat on very cold days, or to heat a specific room/space not served currently by ASHPs (e.g., stand-alone propane system in a solarium)

In addition, the team was able to perform analysis on 3 of the homes with incomplete data to at least make the determination that the homes primary source of heat came from ASHPs. The team was not able to collect enough data on the remaining 8 homes, and they have been flagged as incomplete for the purposes of this survey.

PUC 5-3

Request:

Regarding the Company's response to PUC 2-5, please explain the following:

- a. Please explain how the Company acquired the data presented in these tables. For example, was the data collected by field assessors or provided by customers or something else?
- b. Please explain why the number of accounts with a secondary heating system increased from 12% between 2018-2022 to 29% in 2023. Provide the specific factors that contributed to this percentage more than doubling.
- c. The tables indicate there are customers whose secondary fuel type is the same as their primary fuel type. For example, the top table indicates there are 153 electric heating customers who use electric fuel as their secondary fuel, and that there are 1,019 natural gas heating customers who use natural gas as their secondary fuel. Please confirm that this is an accurate interpretation of the data presented in these response tables. Then, explain the process through which the Company affirmatively identifies customers who use the same primary and secondary heating fuels. For example, how did the Company identify 153 customers who use electric heat as their primary heating fuel and also use electricity as their secondary heating fuel?
- d. Please recreate these tables using data from the 2018-2022 period (as referenced by the Company's response to PUC 4-3 in Docket No. 22-33-EE).

Response:

- a. This data was provided to the Company by our EnergyWise Single Family Lead Vendor, RISE. The data from RISE was collected by field assessors.
- b. With increased interest from the Company to improve the number of data points collected on mechanical systems during an in-home assessment, in 2022, RISE implemented a major overhaul to the user-interface of their energy modeling software, Eplus. The revisions made it easier and more intuitive for the Energy Specialist to enter the home's heating, AC, and domestic hot water heating systems. With additional training and guidance to the Energy Specialists, and making certain fields mandatory, the Company has seen an increase in the collection of secondary heating data.

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PUC 5-3, Page 2

- c. Yes, this is an accurate interpretation of the data presented in these response tables. In these cases, the secondary category was selected by the Energy Specialist when the home had two heating systems. One example of this would be a home with one forced hot air furnace in the basement that serves the first floor heating needs, and a second furnace in the attic to heat the second floor (natural gas / natural gas). Another example would be a home with a heat pump that has a few small areas of the home that utilize electric baseboard heat (electric / electric).
- d. Please see the tables below.

		Secondary Fuel Type (By Count)									
		Coal	Electric	Kerosene	Natural Gas	Oil	Propane	Wood	Wood Pellets	None	Total
Primary Fuel Type	Electric	3	243	1	40	19	100	213	108	2,002	2,729
	Kerosene	0	4	3	0	0	0	2	2	37	48
	Natural Gas	2	1,017	2	1,119	21	6	275	89	23,833	26,364
	Oil	7	990	2	95	485	217	947	454	16,144	19,341
	Propane	0	102	0	1	6	79	57	34	1,167	1,446
	Wood	0	8	0	0	13	1	8	0	21	51
	Wood Pellets	0	3	0	1	8	2	2	2	11	29
	Total	12	2,367	8	1,256	552	405	1,504	689	43,215	50,008

		Secondary Fuel Type (By %)									
		Coal	Electric	Kerosene	Natural Gas	Oil	Propane	Wood	Wood Pellets	None	Total
Primary Fuel Type	Electric	0.1%	8.9%	0.0%	1.5%	0.7%	3.7%	7.8%	4.0%	73.4%	100%
	Kerosene	0.0%	8.3%	6.3%	0.0%	0.0%	0.0%	4.2%	4.2%	77.1%	100%
	Natural Gas	0.0%	3.9%	0.0%	4.2%	0.1%	0.0%	1.0%	0.3%	90.4%	100%
	Oil	0.0%	5.1%	0.0%	0.5%	2.5%	1.1%	4.9%	2.3%	83.5%	100%
	Propane	0.0%	7.1%	0.0%	0.1%	0.4%	5.5%	3.9%	2.4%	80.7%	100%
	Wood	0.0%	15.7%	0.0%	0.0%	25.5%	2.0%	15.7%	0.0%	41.2%	100%
	Wood Pellets	0.0%	10.3%	0.0%	3.4%	27.6%	6.9%	6.9%	6.9%	37.9%	100%
	Total	0.0%	4.7%	0.0%	2.5%	1.1%	0.8%	3.0%	1.4%	86.4%	100%

Data Range: 1/1/2018 - 12/31/2022

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PUC 5-4

Request:

Please refile response Tables 1a, 1b, 2a, and 2b to PUC 2-7 with citations for sources of data and illustrations of all underlying calculations.

Response:

The Company understands this question to request a further explanation of the calculation of the Cost of Supply by program as presented in PUC 2-7. Please see PUC Attachment 5-4 for refiled Tables 1a, 1b, 2a, and 2b from PUC 2-7 with citations for sources of data.

As described on Bates page 213, “the Company applies the above costs of supply [shown in Table 9 on Bates pages 212 and 213, where the middle column is “Yes”] to the lifetime electricity, lifetime MMBtu of delivered fuels, demand, and natural gas savings for each measure included in the Annual Plan in present value terms.”

Table 10 on Bates page 214 aggregates the measure-level costs by benefit category. In PUC 2-7, the same measure level costs are aggregated by program, as requested. The sector level totals appearing in PUC 2-7 are the aggregate of the program level costs. For example, the \$55,524,141 Total Cost of Supply Benefits for the Residential sector appearing in column 1 is the sum of the six program level costs listed and those program level costs are the aggregate of the measure level costs. The portfolio totals for “Cost of Supply,” “Cost of EE,” and “Difference” are the same in Table 10 and PUC 2-7.

Table 1a

	Total Cost of Supply Benefits	Total Cost of Supply Expenses	Total Cost of Supply (Benefits Minus Expenses)	Total Cost of Supply per Lifetime kWh
Residential	\$55,254,141	\$38,939,732	\$16,314,410	\$0.086
Residential New Construction	\$4,785,751	\$1,839,571	\$2,946,180	\$0.185
Residential HVAC	\$17,184,330	\$10,014,153	\$7,170,177	\$0.063
EnergyWise Single Family	\$21,802,165	\$20,743,642	\$1,058,523	\$0.071
EnergyWise Multifamily	\$1,775,018	\$1,564,374	\$210,643	\$0.026
Home Energy Reports	\$5,756,280	\$2,340,198	\$3,416,081	\$0.146
Residential Consumer Products	\$3,950,598	\$2,437,793	\$1,512,805	\$0.099
Income Eligible Residential	\$12,579,465	\$17,109,718	-\$4,530,253	-\$0.082
Income Eligible Single Family	\$10,173,815	\$13,068,518	-\$2,894,703	-\$0.079
Income Eligible Multifamily	\$2,405,650	\$4,041,201	-\$1,635,551	-\$0.088
Commercial & Industrial	\$94,070,155	\$57,754,797	\$36,315,358	\$0.075
Large C&I New Construction	\$31,178,349	\$11,695,283	\$19,483,066	\$0.107
Large C&I Retrofit	\$53,172,840	\$35,472,653	\$17,700,188	\$0.073
Small Business Direct Install	\$9,718,966	\$10,586,861	-\$867,896	-\$0.015
Total	\$161,903,761	\$113,804,247	\$48,099,514	\$0.066

Notes:

The measure-level savings are documented in the Technical Reference Manual.

Measure-level costs are from Company data.

The value of savings is documented in Attachment 4 or, for NEIs that are included, the Technical Reference Manual.

Table 1b

	Total Cost of Supply Benefits	Total Cost of Supply Expenses	Total Cost of Supply (Benefits Minus Expenses)	Total Cost of Supply per Lifetime kWh
Residential	\$49,617,564	\$38,939,732	\$10,677,832	\$0.056
Residential New Construction	\$4,522,211	\$1,839,571	\$2,682,641	\$0.169
Residential HVAC	\$14,538,188	\$10,014,153	\$4,524,035	\$0.040
EnergyWise Single Family	\$21,159,543	\$20,743,642	\$415,901	\$0.028
EnergyWise Multifamily	\$1,555,538	\$1,564,374	-\$8,836	-\$0.001
Home Energy Reports	\$4,707,171	\$2,340,198	\$2,366,972	\$0.101
Residential Consumer Products	\$3,134,913	\$2,437,793	\$697,120	\$0.045
Income Eligible Residential	\$11,029,923	\$17,109,718	-\$6,079,795	-\$0.110
Income Eligible Single Family	\$8,947,103	\$13,068,518	-\$4,121,415	-\$0.112
Income Eligible Multifamily	\$2,082,821	\$4,041,201	-\$1,958,380	-\$0.106
Commercial & Industrial	\$74,197,008	\$57,754,797	\$16,442,211	\$0.034
Large C&I New Construction	\$25,141,786	\$11,695,283	\$13,446,503	\$0.074
Large C&I Retrofit	\$41,567,971	\$35,472,653	\$6,095,318	\$0.025
Small Business Direct Install	\$7,487,251	\$10,586,861	-\$3,099,611	-\$0.053
Total	\$134,844,494	\$113,804,247	\$21,040,248	\$0.029

Notes:

The measure-level savings are documented in the Technical Reference Manual.

Measure-level costs are from Company data.

The value of savings is documented in Attachment 4 or, for NEIs that are included, the Technical Reference Manual.

Table 2a

	Total Cost of Supply Benefits	Total Cost of Supply Expenses	Total Cost of Supply (Benefits Minus Expenses)	Total Cost of Supply per Lifetime MMBtu
Residential	\$17,496,821	\$19,486,780	-\$1,989,959	-\$1.81
Residential New Construction	\$1,097,663	\$931,809	\$165,854	\$2.26
Residential HVAC	\$3,281,422	\$3,502,611	-\$221,189	-\$1.00
EnergyWise Single Family	\$10,070,379	\$13,052,080	-\$2,981,701	-\$4.86
EnergyWise Multifamily	\$1,608,265	\$1,616,105	-\$7,840	-\$0.08
Home Energy Reports	\$1,439,092	\$384,174	\$1,054,917	\$12.31
Income Eligible Residential	\$4,742,017	\$8,148,053	-\$3,406,037	-\$11.85
Income Eligible Single Family	\$2,027,559	\$4,843,565	-\$2,816,006	-\$23.21
Income Eligible Multifamily	\$2,714,458	\$3,304,489	-\$590,031	-\$3.55
Commercial & Industrial	\$29,755,724	\$13,379,559	\$16,376,165	\$8.54
Large C&I New Construction	\$10,078,198	\$2,846,540	\$7,231,658	\$11.00
Large C&I Retrofit	\$16,830,854	\$8,141,435	\$8,689,419	\$8.08
Small Business Direct Install	\$1,798,537	\$1,087,929	\$710,608	\$5.99
C&I Multifamily	\$1,048,135	\$1,303,655	-\$255,520	-\$3.89
Total	\$51,994,562	\$41,014,392	\$10,980,170	\$3.32

Notes:

The measure-level savings are documented in the Technical Reference Manual.

Measure-level costs are from Company data.

The value of savings is documented in Attachment 4 or, for NEIs that are included, the Technical Reference Manual.

Table 2b

	Total Cost of Supply Benefits	Total Cost of Supply Expenses	Total Cost of Supply (Benefits Minus Expenses)	Total Cost of Supply per Lifetime MMBtu
Residential	\$17,358,932	\$19,486,780	-\$2,127,848	-\$1.94
Residential New Construction	\$1,097,663	\$931,809	\$165,854	\$2.26
Residential HVAC	\$3,286,165	\$3,502,611	-\$216,447	-\$0.98
EnergyWise Single Family	\$9,937,308	\$13,052,080	-\$3,114,772	-\$5.08
EnergyWise Multifamily	\$1,598,705	\$1,616,105	-\$17,400	-\$0.17
Home Energy Reports	\$1,439,092	\$384,174	\$1,054,917	\$12.31
Income Eligible Residential	\$4,696,757	\$8,148,053	-\$3,451,296	-\$12.01
Income Eligible Single Family	\$1,999,700	\$4,843,565	-\$2,843,865	-\$23.44
Income Eligible Multifamily	\$2,697,057	\$3,304,489	-\$607,431	-\$3.66
Commercial & Industrial	\$29,646,519	\$13,379,559	\$16,266,960	\$8.49
Large C&I New Construction	\$9,976,520	\$2,846,540	\$7,129,980	\$10.84
Large C&I Retrofit	\$16,830,854	\$8,141,435	\$8,689,419	\$8.08
Small Business Direct Install	\$1,798,537	\$1,087,929	\$710,608	\$5.99
C&I Multifamily	\$1,040,607	\$1,303,655	-\$263,048	-\$4.01
Total	\$51,702,208	\$41,014,392	\$10,687,816	\$3.24

Notes:

The measure-level savings are documented in the Technical Reference Manual.

Measure-level costs are from Company data.

The value of savings is documented in Attachment 4 or, for NEIs that are included, the Technical Reference Manual.

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PUC 5-5

Request:

When the Company performs the cost of supply analysis, how does it treat regulatory costs (i.e. EERMC, OER, and RIIB costs)? Specifically address the Company's treatment of RIIB costs in performing the cost of supply analysis.

Response:

Regulatory costs (defined as RIIB, EERMC, and OER costs) are included as "costs of energy efficiency" in the cost of supply analysis. Regulatory costs (including RIIB costs) are allocated to each program by the proportion of that program's implementation costs to the sum of implementation costs for all programs. Therefore, the program-specific implementation costs used in the cost of supply analysis contain allocated regulatory (including RIIB) expenses as a component of the "cost of energy efficiency."

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PUC 5-6

Request:

Referencing Table 10 on Bates page 214 of the Plan, please file program-specific versions of this table for every program in the proposed 2024 Electric and Gas Annual Efficiency Plans.

Response:

Please see Attachment PUC 5-6-1 for program-specific versions of Table 10 for every program in the proposed 2024 Electric Annual Efficiency Plan.

Please see Attachment PUC 5-6-2 for program-specific versions of Table 10 for every program in the proposed 2024 Gas Annual Efficiency Plan.

Please note that these tables have been prepared using values consistent with the original October 2, 2023 filing to facilitate comparison with Table 10 in that filing.

Benefits	Residential New Construction	Residential New Construction (RI Only)
Electric Energy	\$1,308,031	\$1,076,104
Electric Generation	\$17,418	\$17,418
Electric Transmission Capacity	\$35,366	\$3,753
Electric Distribution Capacity	\$55,055	\$55,055
Natural Gas	\$0	\$0
Delivered Fuel	\$2,400,450	\$2,400,450
Price Effects	\$263,858	\$263,858
Non-Embedded Greenhouse Gas Reduction	\$660,791	\$660,791
Non-Embedded NOx	\$44,650	\$44,650
Reliability	\$133	\$133
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$4,785,751	\$4,522,211
Program Implementation Expenses	\$1,422,576	\$1,422,576
Customer Contribution	\$392,723	\$392,723
Shareholder Incentive	\$24,272	\$24,272
Cost of EE	\$1,839,571	\$1,839,571
Difference	\$2,946,180	\$2,682,641

Benefits	Residential HVAC	Residential HVAC (RI Only)
Electric Energy	\$9,364,051	\$6,926,877
Electric Generation	\$113,153	\$113,153
Electric Transmission Capacity	\$233,775	\$24,806
Electric Distribution Capacity	\$363,925	\$363,925
Natural Gas	-\$207	-\$207
Delivered Fuel	\$1,191,853	\$1,191,853
Price Effects	\$2,711,850	\$2,711,850
Non-Embedded Greenhouse Gas Reduction	\$3,100,798	\$3,100,798
Non-Embedded NOx	\$104,159	\$104,159
Reliability	\$972	\$972
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$17,184,330	\$14,538,188
Program Implementation Expenses	\$7,112,841	\$7,112,841
Customer Contribution	\$2,779,952	\$2,779,952
Shareholder Incentive	\$121,360	\$121,360
Cost of EE	\$10,014,153	\$10,014,153
Difference	\$7,170,177	\$4,524,035

Benefits	EnergyWise Single Family	EnergyWise Single Family (RI Only)
Electric Energy	\$1,096,056	\$797,840
Electric Generation	\$185,842	\$185,842
Electric Transmission Capacity	\$385,291	\$40,884
Electric Distribution Capacity	\$599,796	\$599,796
Natural Gas	\$0	\$0
Delivered Fuel	\$15,456,224	\$15,456,224
Price Effects	\$471,654	\$471,654
Non-Embedded Greenhouse Gas Reduction	\$3,109,057	\$3,109,057
Non-Embedded NOx	\$496,514	\$496,514
Reliability	\$1,732	\$1,732
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$21,802,165	\$21,159,543
Program Implementation Expenses	\$17,639,808	\$17,639,808
Customer Contribution	\$2,802,862	\$2,802,862
Shareholder Incentive	\$300,972	\$300,972
Cost of EE	\$20,743,642	\$20,743,642
Difference	\$1,058,523	\$415,901

Benefits	EnergyWise Multifamily	EnergyWise Multifamily (RI Only)
Electric Energy	\$620,148	\$474,663
Electric Generation	\$40,095	\$40,095
Electric Transmission Capacity	\$82,779	\$8,784
Electric Distribution Capacity	\$128,864	\$128,864
Natural Gas	\$0	\$0
Delivered Fuel	\$422,062	\$422,062
Price Effects	\$186,259	\$186,259
Non-Embedded Greenhouse Gas Reduction	\$275,105	\$275,105
Non-Embedded NOx	\$19,372	\$19,372
Reliability	\$333	\$333
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,775,018	\$1,555,538
Program Implementation Expenses	\$1,400,007	\$1,400,007
Customer Contribution	\$140,480	\$140,480
Shareholder Incentive	\$23,887	\$23,887
Cost of EE	\$1,564,374	\$1,564,374
Difference	\$210,643	-\$8,836

Benefits	Home Energy Reports	Home Energy Reports (RI Only)
Electric Energy	\$1,409,562	\$686,444
Electric Generation	\$235,978	\$235,978
Electric Transmission Capacity	\$364,688	\$38,697
Electric Distribution Capacity	\$567,722	\$567,722
Natural Gas	\$0	\$0
Delivered Fuel	\$0	\$0
Price Effects	\$1,747,410	\$1,747,410
Non-Embedded Greenhouse Gas Reduction	\$1,345,087	\$1,345,087
Non-Embedded NOx	\$19,632	\$19,632
Reliability	\$66,201	\$66,201
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$5,756,280	\$4,707,171
Program Implementation Expenses	\$2,300,939	\$2,300,939
Customer Contribution	\$0	\$0
Shareholder Incentive	\$39,259	\$39,259
Cost of EE	\$2,340,198	\$2,340,198
Difference	\$3,416,081	\$2,366,972

Benefits	Residential Consumer Products	Residential Consumer Products (RI Only)
Electric Energy	\$929,518	\$482,095
Electric Generation	\$180,660	\$180,660
Electric Transmission Capacity	\$411,978	\$43,715
Electric Distribution Capacity	\$641,340	\$641,340
Natural Gas	\$0	\$0
Delivered Fuel	\$84,907	\$84,907
Price Effects	\$873,495	\$873,495
Non-Embedded Greenhouse Gas Reduction	\$810,986	\$810,986
Non-Embedded NOx	\$13,067	\$13,067
Reliability	\$4,646	\$4,646
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$3,950,598	\$3,134,913
Program Implementation Expenses	\$2,153,735	\$2,153,735
Customer Contribution	\$247,311	\$247,311
Shareholder Incentive	\$36,747	\$36,747
Cost of EE	\$2,437,793	\$2,437,793
Difference	\$1,512,805	\$697,120

Benefits	Income Eligible Single Family	Income Eligible Single Family (RI Only)
Electric Energy	\$2,832,576	\$2,066,351
Electric Generation	\$247,327	\$247,327
Electric Transmission Capacity	\$515,151	\$54,663
Electric Distribution Capacity	\$801,953	\$801,953
Natural Gas	\$51,037	\$51,037
Delivered Fuel	\$2,799,930	\$2,799,930
Price Effects	\$1,032,707	\$1,032,707
Non-Embedded Greenhouse Gas Reduction	\$1,551,283	\$1,551,283
Non-Embedded NOx	\$119,212	\$119,212
Reliability	\$2,425	\$2,425
Income Eligible Rate Discount	\$72,474	\$72,474
Arrearages	\$32,064	\$32,064
Utility	\$115,675	\$115,675
Cost of Supply	\$10,173,815	\$8,947,103
Program Implementation Expenses	\$13,068,518	\$13,068,518
Customer Contribution	\$0	\$0
Shareholder Incentive	\$0	\$0
Cost of EE	\$13,068,518	\$13,068,518
Difference	-\$2,894,703	-\$4,121,415

Benefits	Income Eligible Multifamily	Income Eligible Multifamily (RI Only)
Electric Energy	\$1,296,314	\$997,370
Electric Generation	\$13,083	\$13,083
Electric Transmission Capacity	\$26,721	\$2,835
Electric Distribution Capacity	\$41,597	\$41,597
Natural Gas	-\$40,538	-\$40,538
Delivered Fuel	\$306,785	\$306,785
Price Effects	\$339,310	\$339,310
Non-Embedded Greenhouse Gas Reduction	\$403,528	\$403,528
Non-Embedded NOx	\$14,943	\$14,943
Reliability	\$179	\$179
Income Eligible Rate Discount	\$3,729	\$3,729
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$2,405,650	\$2,082,821
Program Implementation Expenses	\$4,041,201	\$4,041,201
Customer Contribution	\$0	\$0
Shareholder Incentive	\$0	\$0
Cost of EE	\$4,041,201	\$4,041,201
Difference	-\$1,635,551	-\$1,958,380

Benefits	Large C&I New Construction	Large C&I New Construction (RI Only)
Electric Energy	\$13,608,704	\$9,863,963
Electric Generation	\$1,232,627	\$1,232,627
Electric Transmission Capacity	\$2,563,878	\$272,056
Electric Distribution Capacity	\$3,991,277	\$3,991,277
Natural Gas	-\$286,612	-\$286,612
Delivered Fuel	\$0	\$0
Price Effects	\$5,019,366	\$5,019,366
Non-Embedded Greenhouse Gas Reduction	\$4,950,143	\$4,950,143
Non-Embedded NOx	\$87,559	\$87,559
Reliability	\$11,407	\$11,407
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$31,178,349	\$25,141,786
Program Implementation Expenses	\$9,884,330	\$9,884,330
Customer Contribution	\$1,000,615	\$1,000,615
Shareholder Incentive	\$810,338	\$810,338
Cost of EE	\$11,695,283	\$11,695,283
Difference	\$19,483,066	\$13,446,503

Benefits	Large C&I Retrofit	Large C&I Retrofit (RI Only)
Electric Energy	\$15,589,720	\$8,288,597
Electric Generation	\$2,157,518	\$2,157,518
Electric Transmission Capacity	\$4,814,633	\$510,887
Electric Distribution Capacity	\$7,495,106	\$7,495,106
Natural Gas	-\$178,179	-\$178,179
Delivered Fuel	-\$26,681	-\$26,681
Price Effects	\$11,772,501	\$11,772,501
Non-Embedded Greenhouse Gas Reduction	\$11,348,529	\$11,348,529
Non-Embedded NOx	\$153,609	\$153,609
Reliability	\$46,084	\$46,084
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$53,172,840	\$41,567,971
Program Implementation Expenses	\$24,421,517	\$24,421,517
Customer Contribution	\$9,049,008	\$9,049,008
Shareholder Incentive	\$2,002,128	\$2,002,128
Cost of EE	\$35,472,653	\$35,472,653
Difference	\$17,700,188	\$6,095,318

Benefits	Small Business Direct Install	Small Business Direct Install (RI Only)
Electric Energy	\$3,707,827	\$1,980,167
Electric Generation	\$254,156	\$254,156
Electric Transmission Capacity	\$563,890	\$59,835
Electric Distribution Capacity	\$877,827	\$877,827
Natural Gas	-\$82,777	-\$82,777
Delivered Fuel	-\$426,336	-\$426,336
Price Effects	\$2,329,240	\$2,329,240
Non-Embedded Greenhouse Gas Reduction	\$2,480,383	\$2,480,383
Non-Embedded NOx	\$9,475	\$9,475
Reliability	\$5,281	\$5,281
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$9,718,966	\$7,487,251
Program Implementation Expenses	\$8,783,932	\$8,783,932
Customer Contribution	\$1,082,804	\$1,082,804
Shareholder Incentive	\$720,125	\$720,125
Cost of EE	\$10,586,861	\$10,586,861
Difference	-\$867,896	-\$3,099,611

Benefits	Residential New Construction	Residential New Construction (RI Only)
Electric Energy	\$0	\$0
Electric Generation	\$0	\$0
Electric Transmission Capacity	\$0	\$0
Electric Distribution Capacity	\$0	\$0
Natural Gas	\$687,677	\$687,677
Delivered Fuel	\$0	\$0
Price Effects	\$3,323	\$3,323
Non-Embedded Greenhouse Gas Reduction	\$355,796	\$355,796
Non-Embedded NOx	\$50,867	\$50,867
Reliability	\$0	\$0
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,097,663	\$1,097,663
Program Implementation Expenses	\$627,696	\$627,696
Customer Contribution	\$304,113	\$304,113
Shareholder Incentive	\$0	\$0
Cost of EE	\$931,809	\$931,809
Difference	\$165,854	\$165,854

Benefits	Residential HVAC	Residential HVAC (RI Only)
Electric Energy	-\$15,230	-\$11,760
Electric Generation	-\$693	-\$693
Electric Transmission Capacity	-\$1,377	-\$105
Electric Distribution Capacity	-\$1,565	-\$1,565
Natural Gas	\$1,984,167	\$1,984,167
Delivered Fuel	\$0	\$0
Price Effects	\$6,530	\$6,530
Non-Embedded Greenhouse Gas Reduction	\$1,155,938	\$1,155,938
Non-Embedded NOx	\$153,657	\$153,657
Reliability	-\$5	-\$5
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$3,281,422	\$3,286,165
Program Implementation Expenses	\$1,641,209	\$1,641,209
Customer Contribution	\$1,861,402	\$1,861,402
Shareholder Incentive	\$0	\$0
Cost of EE	\$3,502,611	\$3,502,611
Difference	-\$221,189	-\$216,447

Benefits	EnergyWise Single Family	EnergyWise Single Family (RI Only)
Electric Energy	\$264,612	\$214,477
Electric Generation	\$45,349	\$45,349
Electric Transmission Capacity	\$89,816	\$6,879
Electric Distribution Capacity	\$102,041	\$102,041
Natural Gas	\$5,681,349	\$5,681,349
Delivered Fuel	\$0	\$0
Price Effects	\$112,718	\$112,718
Non-Embedded Greenhouse Gas Reduction	\$3,345,512	\$3,345,512
Non-Embedded NOx	\$428,661	\$428,661
Reliability	\$322	\$322
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$10,070,379	\$9,937,308
Program Implementation Expenses	\$11,999,080	\$11,999,080
Customer Contribution	\$1,053,000	\$1,053,000
Shareholder Incentive	\$0	\$0
Cost of EE	\$13,052,080	\$13,052,080
Difference	-\$2,981,701	-\$3,114,772

Benefits	EnergyWise Multifamily	EnergyWise Multifamily (RI Only)
Electric Energy	\$9,712	\$7,959
Electric Generation	\$4,252	\$4,252
Electric Transmission Capacity	\$8,456	\$648
Electric Distribution Capacity	\$9,607	\$9,607
Natural Gas	\$961,392	\$961,392
Delivered Fuel	\$0	\$0
Price Effects	\$9,578	\$9,578
Non-Embedded Greenhouse Gas Reduction	\$532,765	\$532,765
Non-Embedded NOx	\$72,473	\$72,473
Reliability	\$32	\$32
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,608,265	\$1,598,705
Program Implementation Expenses	\$1,558,505	\$1,558,505
Customer Contribution	\$57,600	\$57,600
Shareholder Incentive	\$0	\$0
Cost of EE	\$1,616,105	\$1,616,105
Difference	-\$7,840	-\$17,400

Benefits	Home Energy Reports	Home Energy Reports (RI Only)
Electric Energy	\$0	\$0
Electric Generation	\$0	\$0
Electric Transmission Capacity	\$0	\$0
Electric Distribution Capacity	\$0	\$0
Natural Gas	\$688,491	\$688,491
Delivered Fuel	\$0	\$0
Price Effects	\$21,445	\$21,445
Non-Embedded Greenhouse Gas Reduction	\$668,856	\$668,856
Non-Embedded NOx	\$60,300	\$60,300
Reliability	\$0	\$0
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,439,092	\$1,439,092
Program Implementation Expenses	\$384,174	\$384,174
Customer Contribution	\$0	\$0
Shareholder Incentive	\$0	\$0
Cost of EE	\$384,174	\$384,174
Difference	\$1,054,917	\$1,054,917

Benefits	Income Eligible Single Family	Income Eligible Single Family (RI Only)
Electric Energy	\$52,740	\$42,457
Electric Generation	\$9,624	\$9,624
Electric Transmission Capacity	\$19,033	\$1,458
Electric Distribution Capacity	\$21,624	\$21,624
Natural Gas	\$1,134,865	\$1,134,865
Delivered Fuel	\$0	\$0
Price Effects	\$22,894	\$22,894
Non-Embedded Greenhouse Gas Reduction	\$646,504	\$646,504
Non-Embedded NOx	\$84,694	\$84,694
Reliability	\$68	\$68
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$35,514	\$35,514
Cost of Supply	\$2,027,559	\$1,999,700
Program Implementation Expenses	\$4,843,565	\$4,843,565
Customer Contribution	\$0	\$0
Shareholder Incentive	\$0	\$0
Cost of EE	\$4,843,565	\$4,843,565
Difference	-\$2,816,006	-\$2,843,865

Benefits	Income Eligible Multifamily	Income Eligible Multifamily (RI Only)
Electric Energy	\$17,955	\$14,871
Electric Generation	\$7,804	\$7,804
Electric Transmission Capacity	\$15,503	\$1,187
Electric Distribution Capacity	\$17,613	\$17,613
Natural Gas	\$1,539,447	\$1,539,447
Delivered Fuel	\$0	\$0
Price Effects	\$18,411	\$18,411
Non-Embedded Greenhouse Gas Reduction	\$981,725	\$981,725
Non-Embedded NOx	\$115,942	\$115,942
Reliability	\$57	\$57
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$2,714,458	\$2,697,057
Program Implementation Expenses	\$3,304,489	\$3,304,489
Customer Contribution	\$0	\$0
Shareholder Incentive	\$0	\$0
Cost of EE	\$3,304,489	\$3,304,489
Difference	-\$590,031	-\$607,431

Benefits	Large C&I New Construction	Large C&I New Construction (RI Only)
Electric Energy	\$0	\$0
Electric Generation	\$54,541	\$54,541
Electric Transmission Capacity	\$110,110	\$8,433
Electric Distribution Capacity	\$125,098	\$125,098
Natural Gas	\$5,210,859	\$5,210,859
Delivered Fuel	\$0	\$0
Price Effects	\$77,892	\$77,892
Non-Embedded Greenhouse Gas Reduction	\$4,013,016	\$4,013,016
Non-Embedded NOx	\$486,170	\$486,170
Reliability	\$511	\$511
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$10,078,198	\$9,976,520
Program Implementation Expenses	\$2,302,978	\$2,302,978
Customer Contribution	\$281,323	\$281,323
Shareholder Incentive	\$262,239	\$262,239
Cost of EE	\$2,846,540	\$2,846,540
Difference	\$7,231,658	\$7,129,980

Benefits	Large C&I Retrofit	Large C&I Retrofit (RI Only)
Electric Energy	\$0	\$0
Electric Generation	\$0	\$0
Electric Transmission Capacity	\$0	\$0
Electric Distribution Capacity	\$0	\$0
Natural Gas	\$8,944,836	\$8,944,836
Delivered Fuel	\$0	\$0
Price Effects	\$89,836	\$89,836
Non-Embedded Greenhouse Gas Reduction	\$6,995,999	\$6,995,999
Non-Embedded NOx	\$800,184	\$800,184
Reliability	\$0	\$0
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$16,830,854	\$16,830,854
Program Implementation Expenses	\$4,827,687	\$4,827,687
Customer Contribution	\$2,764,021	\$2,764,021
Shareholder Incentive	\$549,727	\$549,727
Cost of EE	\$8,141,435	\$8,141,435
Difference	\$8,689,419	\$8,689,419

Benefits	Small Business Direct Install	Small Business Direct Install (RI Only)
Electric Energy	\$0	\$0
Electric Generation	\$0	\$0
Electric Transmission Capacity	\$0	\$0
Electric Distribution Capacity	\$0	\$0
Natural Gas	\$972,429	\$972,429
Delivered Fuel	\$0	\$0
Price Effects	\$7,724	\$7,724
Non-Embedded Greenhouse Gas Reduction	\$730,204	\$730,204
Non-Embedded NOx	\$88,180	\$88,180
Reliability	\$0	\$0
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,798,537	\$1,798,537
Program Implementation Expenses	\$816,773	\$816,773
Customer Contribution	\$178,149	\$178,149
Shareholder Incentive	\$93,006	\$93,006
Cost of EE	\$1,087,929	\$1,087,929
Difference	\$710,608	\$710,608

Benefits	C&I Multifamily	C&I Multifamily (RI Only)
Electric Energy	\$7,752	\$6,412
Electric Generation	\$3,372	\$3,372
Electric Transmission Capacity	\$6,701	\$513
Electric Distribution Capacity	\$7,613	\$7,613
Natural Gas	\$572,255	\$572,255
Delivered Fuel	\$0	\$0
Price Effects	\$7,691	\$7,691
Non-Embedded Greenhouse Gas Reduction	\$393,937	\$393,937
Non-Embedded NOx	\$48,790	\$48,790
Reliability	\$25	\$25
Income Eligible Rate Discount	\$0	\$0
Arrearages	\$0	\$0
Utility	\$0	\$0
Cost of Supply	\$1,048,135	\$1,040,607
Program Implementation Expenses	\$948,855	\$948,855
Customer Contribution	\$354,800	\$354,800
Shareholder Incentive	\$0	\$0
Cost of EE	\$1,303,655	\$1,303,655
Difference	-\$255,520	-\$263,048

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-7

Request:

The Company's response to PUC 2-8 indicates that lifetime electric energy savings will increase by 8% between 2024-2026. It also indicates that lifetime oil savings will increase by 12% between 2024-2026 and lifetime propane savings will increase by 22% between 2024-2026. Please confirm that this is an accurate interpretation and explain how this is consistent with state climate policy.

Response:

The Company confirms that the increases cited in the question are accurate: lifetime electric energy savings will increase by 8% between 2024-2026, lifetime oil savings will increase by 12% between 2024-2026 and lifetime propane savings will increase by 22% between 2024-2026.

The increase in lifetime savings for electric, oil, and propane over the three-year term is consistent with state climate policy in that reduced energy consumption will lead to higher levels of carbon reduction. The measures contributing most significantly to the increases in lifetime oil and propane savings are weatherization and controls measures that reduce heating fuel consumption, rather than incentivizing fossil fuel heating equipment. For example, the "Weatherization, Oil" and "Wifi programmable thermostat with cooling (oil)" measures account for approximately 80% of the increase in lifetime oil savings between 2024-2026; "Weatherization, Other" accounts for approximately 65% of the increase in lifetime propane savings between 2024-2026. Similarly, the "Electric Resistance to MSHP" and "MSHP – Electric Resistance" measures account for approximately 45% of the increase in lifetime electric energy savings between 2024-2026. The rest of the 8% increase in lifetime electric savings between 2024-2026 results from changes in quantity and measure lives across the larger electric measure mix.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-8

Request:

In PUC 3-2, the Commission inquired about the Company's actual spending of the \$1.3 million that was reallocated to the Single Family Income Eligible program in 2023 to support the Plan to Convert Electric Resistance Heat to Heat Pumps. In its response, the Company estimated that it will spend \$753,430 by year-end. Elsewhere in the response, the Company explained that of the 6 projects that have been completed to-date, a portion of total spending was dedicated to heat pumps and a portion was dedicated to weatherization. Regarding this response, please explain the following:

- a. The projected \$753,430 year-end spending represents 58% of the \$1.3 million budget that the Company reallocated to this work for 2023 (as demonstrated in its September 15, 2023 compliance filing). Please explain why even as late as September 15, 2023, the Company planned to reallocate \$1.3 million when the year-end spending projection is only \$753,430.
- b. Of the \$1.3 million that the Company reallocated to this work in 2023, what will happen to any unspent funds? Will they roll into fund balance or be held aside for this work in 2024?
- c. How much of the projected \$753,430 year-end spending will be spent on heat pumps vs. weatherization?
- d. Please explain why the Company is proposing to spend any of the \$1.7 million that was initially reallocated by the Commission in Docket No. 22-33-EE on weatherization, as opposed to exclusively on heat pump incentives? In your response, address why the associated weatherization work cannot be performed in the original 2023 income eligible weatherization budgets.

Response:

- a. The September compliance filing follows the spending outlined in the Electric Resistance Heating to Air Source Heat Pump plan for the Income Eligible Sector. The Company does not reallocate funding during the year unless there are programs that are forecasted to overspend and underspend in the same sector and funding can be shifted within the sector to meet customer demand. That is not the situation within the Income Eligible electric sector.

PUC 5-8, Page 2

- b. Unspent funds will roll into the fund balance. 2024 Air Source Heat Pump activities have been planned within specific programs.
- c. The forecast of \$753,430 was for heat pump spending.
- d. The Electric Resistance Heating to Air Source Heat Pump plan for the Income Eligible Sector plan included spending for both weatherization and pre-weatherization barriers, in addition to heat pump incentives. The forecasted Air Source Heat Pump projects exceeded what was originally planned in the 2023 Annual Energy Efficiency Plan for the Income Eligible Sector single family program for electric weatherization. Therefore, funding for both electric weatherization and pre weatherization barriers were included in the Air Source Heat Pump budget so that a lack of funding would not slow down Air Source Heat Pump projects. Electric weatherization would still be budgeted within the Income Eligible Sector single family program until the funding exceeds the Income Eligible Sector single family budget.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-9

Request:

In part 3 of PUC 3-10, the Commission asked the Company to explain whether it had made any adjustments to the heat pump incentive levels offered through the 2024 HVAC program in light of the Clean Heat RI (CHRI) incentives; if the Company did not make any such adjustments, the Commission asked the Company to explain why not. In its response, the Company confirmed it did not make any adjustments but failed to explain why not. Please provide an explanation of why the Company did not make any adjustments. In your response, explain how the proposed incentive levels are appropriate given that 60% of program participants will receive an additional incentive from CHRI.

Response:

The Company did not make any adjustments to the incentive levels because customers that receive the CHRI incentive are not eligible to receive an incentive from the Company for the energy savings associated with heating savings attributable to that heat pump. When a customer installs a heat pump through a Company incentive program, they receive an incentive for the heating energy savings and the cooling energy savings associated with that heat pump. CHRI does not offer an incentive for cooling energy savings. Customers that participate in CHRI receive an incentive from the Company associated with the cooling savings attributable to the heat pump, but the heating savings are not incentivized by the Company. The CHRI incentive plus the Company incentive for cooling energy savings is on par with what a customer would receive if they were eligible to participate in the Company's program for energy savings associated with heat pump heating (e.g., if they were switching from electric resistance heat to a heat pump). The CHRI incentive is in lieu of, not in addition to, the Company's incentive for the heating savings associated with a heat pump installation.

PUC 5-10

Request:

Referencing the Company's response to 3-14, please explain the following:

- a. In response to part c, the Company writes "the Income Eligible Program limits upgrading heating systems at rental properties if the landlord is not also income eligible. This prevents the program from paying for a no-cost heating system upgrade that could potentially be rented to market-rate customers." Please explain how much of a barrier the Company believes this to be for purposes of delivering quantities of income-eligible electric resistance heating upgrades consistent with the Commission's order in Docket No. 22-33-EE, relative to other Company-identified barriers such as pre-weatherization barriers.
- b. In the event that an electric customer on the A-60 rate attempts to replace their electric resistance heating system with a heat pump through the Company's Income Eligible programs but their landlord is not also income eligible, what does the Company do? Does the Company proceed with the upgrade but only offer the market rate incentive, or does the Company refuse to offer the upgrade at all, or something else?
- c. In response to part d, the Company writes "there were no mid-year changes to the incentive levels in 2022 or 2023. The planned incentive dollars are based on the maximum allowed incentive and based on actual spending; it appears that a maximum incentive is not always needed by the customer." For the Company's planning purposes, what is "maximum allowed incentive" and how is it calculated?
- d. Referencing the Company's response to part d, if the Company is seeing that customers may not always need the maximum incentive, why does it continue to plan for the "maximum allowed incentive"?

Response:

- a. Table 2 from the Electric Resistance Heating to Air Source Heat Pump plan for the Income Eligible Sector (shown below) provides details regarding the rental population. The Company has been marketing to customers that were predicted to have electric heat based on a comparison of shoulder months electric usage and comparing to winter months electric usage. The results have shown that for income eligible customers, the behavior does not fully predict the heating systems in the home. When the customer reaches out to the CAP for installation of ASHP, it is

PUC 5-10, Page 2

determined that there is a non-electric heating system in the home. However, the customer was labeled as having electric heat due to high winter electricity usage which may have corresponded to electric space heater usage.

Sector	Income Category	Owner	Renter	Unknown	Total
Single Family	Market Rate	33,479	4,014	11,705	49,198
Single Family	Income Eligible	2,260	611	746	3,617
Multifamily	Market Rate	2,510	3,488	4,415	10,413
Multifamily	Income Eligible	128	480	315	923
Total		38,377	8,593	17,181	64,151

Frequency of pre-weatherization barriers (PWBs) are shown in DIV 3-9 which documents the occurrence of PWBs in EnergyWise.

The Company implemented this policy in order to avoid a situation where a landlord could have a heat pump system installed at no cost and then subsequently raise the rents and force out the income-eligible tenant.

- b. The Company would refer the landlord to the HVAC program for an ASHP upgrade. The landlord would be eligible for the enhanced incentive for electric resistance heating to ASHP of up to \$1,250/ton. If the landlord’s rental property is single family, the EnergyWise program would prove no-cost weatherization.
- c. The benefit-cost model shows a max incentive of \$5,000 on an electric resistance to MSHP incentive which equates to a four-ton unit (\$1,250/ton * 4 tons). Attachment PUC 5-10 shows a limit of four rebates per RI residential electric account in the enhanced rebate area.
- d. This is a newer measure for the Company and adoption of the measure has been growing annually. For newer measures, the Company does tend to use the max incentive to allow for greater customer participation. As measures mature and the Company has more experience with (and data on) adoption, incentive levels get reassessed and potentially aligned closer to average incentive costs.

2023 Rhode Island

Residential electric heating and cooling rebates

844-615-8315 | rienrgy.com



Rhode Island Energy™
a PPL company



Save energy and money, improve comfort, and make your home better with these energy savings offers for residential electric customers.

- Central Air Conditioners
- Central Heat Pumps
- Mini Split Heat Pumps
- Smart Thermostats

These programs are funded by the energy efficiency charge on all customers' utility bills, in accordance with Rhode Island law.

Rhode Island residential electric heating and cooling rebate application
Form must be completed in its entirety.

2023

Please submit online to receive rebate faster: rienergy.com/rirebates

STANDARD REBATES

Rhode Island Energy offers rebates for energy-efficient central air conditioning, central heat pump and mini-split heat pump systems. A licensed contractor must install the equipment in order to qualify for rebates (with the exception of smart thermostats, which may be self-installed by the customer). Only qualifying equipment models are eligible. See qualifying equipment and rebate amounts below.

Equipment Type	Delivery Method	Requirement*	Rebate
Central AC [†]	Ducted	AHRI: SEER ≥ 16, EER ≥ 13 OR AHRI: SEER2 ≥ 15.2, EER2 ≥ 12.0	\$50 per ton
Central Heat Pump [†]	Ducted	AHRI: SEER ≥ 15, HSPF ≥ 9; OR AHRI: SEER2 ≥ 15.2, HSPF2 ≥ 8.1	\$350 per ton
Mini-Split Heat Pump [†]	Ducted or Mixed-Ducted	AHRI: SEER ≥ 15, HSPF ≥ 9 OR AHRI: SEER2 ≥ 15.2, HSPF2 ≥ 8.1	\$350 per ton
	Non-Ducted	NEEP ^{**} : SEER ≥ 15, HSPF ≥ 10; OR NEEP [®] : SEER2 ≥ 15.2, HSPF2 ≥ 8.5; AND COP at 5°F ≥ 1.75	\$150 per ton
Equipment Type	Requirement***		Rebate
ENERGY STAR [®] Smart Thermostat ^{††}	ENERGY STAR certified; Wireless connections must be enabled		\$75 each
[†] Limit four (4) rebates per RI residential electric account. ^{††} Limit two (2) rebates per RI residential electric account.			

ENHANCED REBATES

Rhode Island Energy offers an Enhanced Rebate for energy-efficient central and mini-split heat pumps installed in qualifying homes that heat primarily with **electric baseboard resistance heating**. To qualify for Enhanced Rebates, customer must meet the following prerequisites:

- Valid Rhode Island Energy customer must participate in a free EnergyWise Home Energy Assessment. To schedule, call 888-633-7947 and reference the Heat Pump Program for expedited scheduling.
- Home must be fully insulated and weatherized, as recommended or verified through the EnergyWise Program.
- Equipment must be installed by a program-approved contractor. Visit rienergy.com
- Existing heating system must be electric baseboard resistance heating.

Equipment Type	Delivery Method	Requirement*	Rebate
Central Heat Pump [†]	Ducted	AHRI: SEER ≥ 15, HSPF ≥ 9; OR AHRI: SEER2 ≥ 15.2, HSPF2 ≥ 8.1	\$1,250 per ton
Mini-Split Heat Pump [†]	Ducted or Mixed-Ducted	AHRI: SEER ≥ 15, HSPF ≥ 9; OR AHRI: SEER2 ≥ 15.2, HSPF2 ≥ 8.1	
	Non-Ducted	NEEP ^{**} : SEER ≥ 15, HSPF ≥ 10; OR NEEP ^{**} : SEER2 ≥ 15.2, HSPF2 ≥ 8.5; AND COP at 5°F ≥ 1.75	
<p>*Mini-split heat pumps that only provide cooling are not eligible. SEER/SEER2–Seasonal Energy Efficiency Ratio. EER–Energy Efficiency Ratio is a measure of instantaneous cooling efficiency. HSPF/HSPF2–Heating Seasonal Performance Factor is a ratio of an air source heat pump’s heat output to electricity use over an average heating season. COP–Coefficient of Performance is a ratio of useful heating or cooling provided to work required. Rounding up of SEER/SEER2 and EER/EER2 ratings is not acceptable.</p> <p>**For equipment requiring Northeast Energy Efficiency Partnerships (NEEP) listing, refer to NEEP.org.</p> <p>[†]Limit four (4) rebates per RI residential electric account.</p>			

Rhode Island residential electric heating and cooling rebate application

Form must be completed in its entirety.

2023

TO APPLY

Standard Rebates

- Verify that the equipment you will be installing qualifies for a rebate by consulting with a licensed contractor. Qualifying equipment is noted above.
- The equipment must be installed by a licensed installer at a property with an active Rhode Island Energy residential electric account.

Enhanced Rebates

- The Enhanced Rebate is valid only for Rhode Island Energy customers whose home heats primarily with **electric baseboard resistance heating**. Replacing old or failed electric heat pump systems **DOES NOT** qualify for the Enhanced Rebate. Homes must also be fully insulated and weatherized, as verified through the EnergyWise program. Valid Rhode Island Energy customer must participate in a free EnergyWise Home Energy Assessment. To schedule, call 888-633-7947 and reference the Heat Pump Program for expedited scheduling. No-cost energy-saving improvements are available to households that meet certain income guidelines. For more information, call 401-351-1800 or your local Community Action Program (CAP) agency to get started. Or visit rienergy.com
- Verify that the equipment you will be installing qualifies for a rebate by consulting with a **program-approved contractor**. Qualifying equipment is noted above.
- Equipment must be installed by a **program-approved contractor**, at a property with an active Rhode Island Energy residential electric account.
- A list of **program-approved contractors** can be found at rienergy.com/riheatpump

Rebate form and required documentation must be postmarked or submitted online within 90 days of equipment installation date.

IMPORTANT: Photocopy your entire submission for your records. You could be required to mail these photocopies. Offer valid on equipment purchased and installed between January 1, 2023 and December 31, 2023 (subject to funding availability). From the time the application is processed and approved, please allow 8–10 weeks for payment. Payment processing will take longer if information or documentation are missing from the application. To review the status of your application, please contact us at 800-292-2032 or visit rienergy.com/rirebates

Rhode Island residential electric heating and cooling rebate application **2023**
Form must be completed in its entirety.

***NEW EQUIPMENT INSTALLED (CANNOT APPLY FOR MULTIPLE REBATE OFFERS FOR SAME EQUIPMENT INSTALLATION)**

- New construction
 Replacement system
 Adding cooling to existing ductwork
 Replacing failed equipment
 New or additional ductwork and air conditioning

*Pre-existing Fuel Type: Electric Oil Propane Gas None Other _____

Rebate type	Rebate Amount	Date Installed (mm/dd/yyyy)	AHRI* Reference Number	Number of Tons	Customer Rebate Amount <small>(Rebate Amount x # of Tons)</small>
Standard Central AC	\$50 per ton				
Standard Central Heat Pump	\$350 per ton				
Standard Non-Ducted Mini-Split Heat Pump	\$150 per ton				
Standard Ducted/Mixed-Ducted Mini-Split Heat Pump	\$350 per ton				
Enhanced Heat Pump <small>(check equipment type that applies)</small> <input type="checkbox"/> Central Heat Pump <input type="checkbox"/> Non-Ducted Mini-Split Heat Pump <input type="checkbox"/> Ducted/Mixed-Ducted Mini-Split Heat Pump	\$1,250 per ton				
Enhanced Heat Pump <small>(check equipment type that applies)</small> <input type="checkbox"/> Central Heat Pump <input type="checkbox"/> Non-Ducted Mini-Split Heat Pump <input type="checkbox"/> Ducted/Mixed-Ducted Mini-Split Heat Pump					

*AHRI = Air-Conditioning, Heating, and Refrigeration Institute

Equipment	Rebate Amount	Date Installed (mm/dd/yyyy)	Manufacturer	Model Number	Total Rebate**
ENERGY STAR® Certified Smart Thermostat	Up to \$75 each				\$
					\$

Thermostat installation completed by: Contractor Customer

Does your home have central air conditioning? Yes No

**Limit two smart thermostats per account. Rebate amount cannot exceed purchase price.

***WORK COMPLETION AND REBATE VALIDATION**

I hereby request a rebate for the listed work. Attached are copies of all receipts. I certify that all information above is correct to the best of my knowledge and that I have read and agree to all Terms and Conditions of this rebate. I certify that a licensed contractor has installed the listed energy-efficient equipment in accordance with Program Guidelines and Terms and Conditions as described on this form. This rebate is for the benefit of Rhode Island residential electric customers of Rhode Island Energy. This rebate may not be combined with any other utility or energy efficiency service provider offer and may be subject to change without notice. I understand that some restrictions may apply. Rhode Island Energy reserves the right to conduct field inspections to verify installations.

*DATE	*NAME (PRINT)	*CUSTOMER SIGNATURE X
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Rhode Island residential electric heating and cooling rebate application
Form must be completed in its entirety.

2023

TERMS AND CONDITIONS

ENERGY STAR EQUIPMENT REQUIREMENTS

System Requirements—All rebated Heat Pump and Air Conditioning systems must be ENERGY STAR certified, listed with and certified by the Air Conditioning, Heating, and Refrigeration Institute (AHRI); and meet the program SEER/SEER2, EER/EER2 and HSPF/HSPF2 requirements (see table on page 2). The A/C condenser and the evaporative coil must be new and replaced together. The condenser and coil are separate components in a split A/C or central heat pump system, but for rebate purposes, are considered one unit. For rebate purposes, the unit consists of outdoor condensers, indoor unit(s) and air handler(s). All units must have a thermostatic expansion valve (TXV) or electronic expansion valve (EXV) to qualify for rebate.

Sizing—Load calculation requires proper design temperatures for area. Unit installed must be within 130% of the cooling load calculation.

Proof of Purchase—A copy of the customer's invoice itemizing the purchased equipment must accompany the rebate form. The invoice must indicate the equipment type, size, make, model, name of purchaser, installation date and location, date of purchase and total installed cost.

Information Sources to Verify ENERGY STAR Equipment—SEER/SEER2 and HSPF/HSPF2 ratings for condenser, evaporator, and air handler (if applicable) must be provided. The AHRI directory website at ahridirectory.org lists SEER/SEER2 and HSPF/HSPF2 values; if you do not have internet access, please call 1-703-600-0384. AHRI also provides AHRI numbers. For equipment requiring Northeast Energy Efficiency Partnerships (NEEP) listing, refer to NEEP.org.

GENERAL REQUIREMENTS

Time Limit—Qualifying units for equipment rebate must be purchased and installed between January 1, 2023 and December 31, 2023. Rebate form and required documentation must be postmarked or submitted online within 90 days of equipment installation date. Program is subject to change without prior notice, including rebate levels.

Geographic Requirements—Offers valid only for residential electric customers in Rhode Island.

Application Form—This application must be filled out completely, truthfully, and accurately. The customer must date and submit the completed application along with all required documentation for specific rebates. By submitting the rebate application, the customer agrees to abide by these Terms and Conditions.

Payments—From the time the application is processed and approved, please allow 8-10 weeks for payment. Payment processing will take longer if information or documentation are missing from the application. If payee information is different from account holder information, additional processing time will be needed for payee verification.

Approval and Verification—Rhode Island Energy reserves the right to verify and to have reasonable access to the residence to inspect the electric heating and cooling system installed prior to issuing rebates.

Tax Liability—Rhode Island Energy will not be responsible for any tax liability that may be imposed on the customer or contractor as a result of the payment of rebates.

Endorsement—Rhode Island Energy does not endorse any particular contractor, manufacturer, dealer, materials, product, system design or technology in promoting these offers.

Warranties—RHODE ISLAND ENERGY DOES NOT GUARANTEE THE PERFORMANCE OF INSTALLED EQUIPMENT EXPRESSLY OR IMPLICITLY. Rhode Island Energy makes no warranties or representations of any kind, whether statutory, expressed, or implied, including, without limitations, warranties or merchantability or fitness for a particular purpose regarding the electric heating and cooling equipment or services provided by a manufacturer or vendor. Contact your contractor for details regarding equipment performance and warranties.

Limitation of Liability—Rhode Island Energy and the rebate administrator's liability is limited to paying the rebate specified. Rhode Island Energy and the rebate administrator are not liable for: (1) the quality, safety, and/or installation of the equipment, including its fitness for any purpose; (2) the estimated energy savings of the equipment; (3) the workmanship of the installation contractor; and (4) any consequential or incidental damages or for any damages in tort connected with or resulting from participation in these offers.

Contractor Certification—Contractor certifies that installation and services performed have been in accordance with all applicable municipal, state and federal codes, standards and regulations, as well as program requirements.

Smart Thermostats—Smart thermostats need to be connected to a Wi-Fi network. Limit two per household. Must provide receipt as proof of purchase.

Payments Assignable to a Third Party— (a) The Customer may request that the rebate be paid directly to a third party by so indicating on the rebate application. Notification of third-party payment will be sent to the Customer upon submission of the rebate application for the purpose of Customer confirmation. (b) If no payment choice is made, the Company will send the rebate payment directly to the Customer at the address indicated in the rebate application.

ISO-NE Capacity Payments or Environmental Credits—Customer agrees that the Energy Efficiency Program Provider (EPPP) has the unilateral right to apply for any ISO-NE capacity payments or environmental credits resulting from this energy efficiency project, and agrees not to file for such payments or credits either directly or indirectly. Contractors agree to provide the EPPP with such further documentation as the EPPP may request to confirm the EPPP's ownership of such benefits.

ENHANCED REBATE REQUIREMENTS

Existing Heating System—The Enhanced Rebate is only eligible for homes heated primarily by electric baseboard resistance heating. Replacing old or failed electric heat pump systems does not qualify for the Enhanced Rebate.

Program-Approved Contractors—Systems applying for the Enhanced Rebate must be installed by a RI HVAC program-approved contractor. A list of program-approved contractors can be found at rienrgy.com/riheatpump

Equipment Sizing—Systems applying for the Enhanced Rebate must be properly sized according to an ACCA-approved Manual J load calculation completed by a RI HVAC program-approved contractor.

Approval and Verification—Prior to receiving the Enhanced Rebate, every project must receive a Quality Control (QC) inspection from Rhode Island Energy or their agents. Applicant must provide reasonable access for these QC inspections. No Enhanced Rebates will be paid until a passing QC inspection has been completed.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-11

Request:

Referencing the Company's response to PUC 3-16, please explain the following:

- a. Part a requested the total budget included in the 2024 Annual Gas and Electric Efficiency Plans for the 100% weatherization incentive for moderate income customers. In its response, the Company failed to provide the total associated budget. Please provide the associated budget requested in part a.
- b. Please provide all supporting data and analysis that the Company has conducted to justify why moderate income customers need a 100% incentive to weatherize their homes.
- c. How will moderate income customers learn about the 100% weatherization incentive offering? Please describe the Company's specific marketing and outreach plans for this offering. In your response, address whether the Company is able to specifically target moderate income customers in its marketing and outreach.
- d. In response to part b, the Company references Attachment 3-16. No such attachment was filed. Please re-file the attachment.

Response:

- a. There is no specific budget planned for 100% weatherization for moderate income customers in the 2024 plan. The overall weatherization budget is anticipated to cover all EnergyWise participants.
- b. The Company is presenting the following information from the 2017 RI Participation Study which covered participation in the energy efficiency programs from 2009 – 2015. The Participation Study took all customers that participated in the energy efficiency programs and purchased data to include information such as household income as well as number of household members. This information was used to estimate household income and calibrate to the State Median Income (2017) income limits to determine which participants fell into the 80% SMI and below categories. Please note that not all household income and member information was available for all customer records. Also, we focus on EnergyWise which serves single-family, non-low income households. Note that although 60% SMI and below would generally fall to income eligible, the Company is learning from its low income heat pump work that even though purchased data indicates a customer falls below 60% SMI, when we

PUC 5-11, Page 2

have customers apply for LIHEAP, income levels sometimes exceed the LIHEAP guidelines. The assumption is that publicly purchased information relies on tax information, but LIHEAP requires all household income, so minor income earners that do not file taxes are not included in the purchased data. It is also why the Company is combining the Less than 60% SMI and 60-80% SMI categories for this response.

State Median Income	# Audits	# Wx	Conversion %
< 80%	853	174	20%
80 - 100%	300	54	18%
100 - 120%	282	66	23%
> 120%	1,596	439	28%
Totals	3,031	733	24%

As the table above shows, customers with a State Median Income of 80% or below have a lower conversion rate from audit to weatherization than customers at 100% or higher.

- c. In 2022, the Company targeted specific zip codes (COVID impacted) and reached out with email blasts to prior assessment participants notifying them about the moderate-income opportunity. A link to a self-attestation form was included in the email.

In 2023, the Company promoted the moderate income offer via an e-mail and letter to all residential customers in our five equity towns: Central Falls, Pawtucket, Woonsocket, Providence, and East Providence. Customers responded positively to the outreach, with audit requests increasing by nearly 65% compared to the week prior to the postcard and e-mail distributions. The RGGI funds were also fully subscribed and customers that could not be served with RGGI funds were income verified and served using energy efficiency funding.

In 2024, the Company may be able to target moderate income marketing to customers based on household income analysis from the participant and non-participant study refresh. This would enable us to expand moderate income marketing to customers in other cities/towns.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-11, Page 3

- d. The Company has filed Attachment PUC 3-16 contemporaneously with the filing of its responses to PUC Set 5.

PUC 5-12

Request:

Page 8 of the Q3 Report in Docket No. 22-33-EE indicates that the Company has raised the standard weatherization incentive from 50% to 75%, and has begun offering a 100% incentive for electrically heated homes.

- a. Please explain why the Company raised the standard weatherization incentive from 50% to 75%.
- b. In 2024, what market rate weatherization incentive levels is the Company planning to offer?
- c. Will the Company continue to offer the 100% weatherization incentive for electrically heated homes?

Response:

- a. The Company raised the standard weatherization incentive from 50% to 75% in response to lower-than-expected customer demand for weatherization projects.
- b. The Company will offer the 75% market rate weatherization incentive for 2024 with a cap of \$4,000.
- c. The Company will continue to offer the 100% weatherization incentive for electrically heated homes.

PUC 5-13

Request:

Regarding the Company's response to PUC 3-22, please explain the following:

- a. If the Company does not track actual spending of the pre-weatherization contingency budget and therefore does not have the ability to compare budget to actual spend, how can the Company ensure that the contingency budget set through the annual planning process is appropriately sized?
- b. Recognizing that the Company is unable to track actual spending of the pre-weatherization contingency budget, how is the Company able to ensure the annual contingency budget is actually getting spent on pre-weatherization work?

Response:

- a. The Company feels that 2% is a nominal amount that allows for remediation of these health and safety issues to allow for the progression of standard energy savings measures. It has appeared historically sufficient to address issues and keep the programs running while keeping projects cost effective. Moving forward, the Company plans to break out PWB costs into a separate spending line item rather than including these costs as general program expenses. Program expenses are managed to reach targeted savings goals within the specified budget and are applied based on customer demand and program needs.
- b. All health and safety work orders over \$1,100 are reviewed individually, which ensures the money is being spent appropriately. The Company plans to break out PWB spend moving forward in order to determine actual program spending in this area. Furthermore, while the work is categorized as 'General Labor' or 'General Repair,' it is possible to manually go through those work orders to see what work was done as a part of that. However, it would not be realistic to go through all these records from the past.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-14

Request:

In part a of PUC 3-25, the Commission asked the Company to estimate how much of the total dollar value of non-resource benefits associated with the 2024 Gas and Electric Plans were associated with each of the 24 NEIs. The Company did not answer the question. Please provide the requested dollar value estimates.

Response:

The total dollar value of non-resource benefits that was originally associated with the NEIs for which the age of the study had been identified as "MA Assumption" in the response to PUC 1-68 is \$16,242,408 out of a total of \$31,183,144 non-resource benefits for the 2024 Gas Plan and is \$20,633,912 out of a total of \$33,415,133 non-resource benefits for the 2024 Electric Plan.

Please note these values are no longer associated with "MA Assumption" based on the source review provided in the response to PUC 3-25.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-15

Request:

For program years 2021, 2022, 2023, provide a list of the customers who have been served by the C&I Multifamily (gas) program.

Response:

Please see Attachment PUC 5-15.

<u>Year</u>	<u>Facility Name</u>	<u>City Text</u>	<u>Facility Type</u>
2021	EAST SHORE APTS	E PROVIDENCE	MultiFamily over 20 units
2021	EAST SHORE APTS	E PROVIDENCE	MultiFamily over 20 units
2021	EAST SHORE APTS	E PROVIDENCE	MultiFamily over 20 units
2021	850 Broadway Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2021	850 Broadway Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2021	850 Broadway Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2021	Bainbridge Apartments	JOHNSTON	MultiFamily over 20 units
2021	Bainbridge Apartments	JOHNSTON	MultiFamily over 20 units
2021	Bainbridge Apartments	JOHNSTON	MultiFamily over 20 units
2021	Bainbridge Apartments	JOHNSTON	MultiFamily over 20 units
2021	Riverview Terrace Condominiums	CRANSTON	MultiFamily over 20 units
2021	Coachman Condos	CRANSTON	MultiFamily over 20 units
2021	Coachman Condos	CRANSTON	MultiFamily over 20 units
2021	Coachman Condos	CRANSTON	MultiFamily over 20 units
2021	121-150 Stamford Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2021	121-150 Stamford Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2021	121-150 Stamford Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2021	121-150 Stamford Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2021	121-150 Stamford Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2021	Lighthouse at Lincoln Assisted Living	LINCOLN	MultiFamily over 20 units
2021	Pawtucket House Apartments	RIVERSIDE	MultiFamily over 20 units
2021	Pawtucket House Apartments	RIVERSIDE	MultiFamily over 20 units
2021	Dana Apartments	WARWICK	MultiFamily over 20 units
2021	Dana Apartments	WARWICK	MultiFamily over 20 units
2021	Dana Apartments	WARWICK	MultiFamily over 20 units
2021	Dana Apartments	WARWICK	MultiFamily over 20 units
2021	Albion Place Condos	ALBION	MultiFamily 5 to 20 units
2021	Albion Place Condos	ALBION	MultiFamily 5 to 20 units
2021	Gristmill Apartments 2019	WARWICK	MultiFamily over 20 units
2021	Gristmill Apartments 2019	WARWICK	MultiFamily over 20 units
2021	Gristmill Apartments 2019	WARWICK	MultiFamily over 20 units
2021	Gristmill Apartments 2019	WARWICK	MultiFamily over 20 units
2021	Norwood Ave Apts	CRANSTON	MultiFamily 5 to 20 units
2021	Norwood Ave Apts	CRANSTON	MultiFamily 5 to 20 units
2021	Norwood Ave Apts	CRANSTON	MultiFamily 5 to 20 units
2021	Norwood Ave Apts	CRANSTON	MultiFamily 5 to 20 units
2021	Norwood Ave Apts	CRANSTON	MultiFamily 5 to 20 units
2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units
2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units
2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units
2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units
2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units

2021	The Landings on the Trail	RIVERSIDE	MultiFamily over 20 units
2021	80 Ashburne Street Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2021	80 Ashburne Street Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2021	80 Ashburne Street Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2021	Georgiaville Manor Apts	ESMOND	MultiFamily over 20 units
2021	Georgiaville Manor Apts	ESMOND	MultiFamily over 20 units
2021	Georgiaville Manor Apts	ESMOND	MultiFamily over 20 units
2021	Georgiaville Manor Apts	ESMOND	MultiFamily over 20 units
2021	Georgiaville Manor Apts	ESMOND	MultiFamily over 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	Villa Anginette Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2021	6-8 May Street Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2021	6-8 May Street Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2021	10 ARMISTICE LLC	PAWTUCKET	MultiFamily 5 to 20 units
2021	10 ARMISTICE LLC	PAWTUCKET	MultiFamily 5 to 20 units
2021	10 ARMISTICE LLC	PAWTUCKET	MultiFamily 5 to 20 units
2021	10 ARMISTICE LLC	PAWTUCKET	MultiFamily 5 to 20 units
2021	10 ARMISTICE LLC	PAWTUCKET	MultiFamily 5 to 20 units
2021	Hamilton House 2	NORTH PROVIDENCE	MultiFamily over 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2021	Beach Ave Apts	WARWICK	MultiFamily 5 to 20 units
2022	Coventry Court Apartments	COVENTRY	MultiFamily over 20 units
2022	East Manor Apts.	WOONSOCKET	MultiFamily over 20 units
2022	East Manor Apts.	WOONSOCKET	MultiFamily over 20 units
2022	East Manor Apts.	WOONSOCKET	MultiFamily over 20 units
2022	East Manor Apts.	WOONSOCKET	MultiFamily over 20 units
2022	East Manor Apts.	WOONSOCKET	MultiFamily over 20 units
2022	Smithfield Manor Apartments-Comm. gas	NORTH PROVIDENCE	MultiFamily over 20 units
2022	22-24 Pocasset Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2022	22-24 Pocasset Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2022	22-24 Pocasset Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units

2022	22-24 Pocasset Ave Apts	PROVIDENCE	MultiFamily 5 to 20 units
2022	Pocasset Village Apartments 2017	CRANSTON	MultiFamily over 20 units
2022	Pocasset Village Apartments 2017	CRANSTON	MultiFamily over 20 units
2022	Hillside Terrace Apartments 2017	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Hillside Terrace Apartments 2017	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Hillside Terrace Apartments 2017	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Hillside Terrace Apartments 2017	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Chimney Hill Apartments	CUMBERLAND	MultiFamily over 20 units
2022	Masthead Apartments	WARWICK	MultiFamily over 20 units
2022	Masthead Apartments	WARWICK	MultiFamily over 20 units
2022	Masthead Apartments	WARWICK	MultiFamily over 20 units
2022	Masthead Apartments	WARWICK	MultiFamily over 20 units
2022	Masthead Apartments	WARWICK	MultiFamily over 20 units
2022	Webster Apartments	WEST WARWICK	MultiFamily over 20 units
2022	Webster Apartments	WEST WARWICK	MultiFamily over 20 units
2022	Webster Apartments	WEST WARWICK	MultiFamily over 20 units
2022	Webster Apartments	WEST WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Lancaster Apartments	WARWICK	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	Granada Apts	NORTH PROVIDENCE	MultiFamily over 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	70 Turner Ave Apts	EAST PROVIDENCE	MultiFamily 5 to 20 units
2022	PARK ROW WEST APARTMENTS	PROVIDENCE	MultiFamily over 20 units
2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units
2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units

2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units
2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units
2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units
2022	Waterman & Gano GR	PROVIDENCE	MultiFamily 5 to 20 units
2022	50 Washington Square	NEWPORT	MultiFamily over 20 units
2022	The Seasons - East Greenwich	EAST GREENWICH	MultiFamily over 20 units
2022	CAMAC ST APARTMENTS	PAWTUCKET	MultiFamily 5 to 20 units
2022	CAMAC ST APARTMENTS	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	75 Spring St. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	5 Norris Ave. Apartments	PAWTUCKET	MultiFamily 5 to 20 units
2022	1621 Smith Street Apts	NORTH PROVIDENCE	MultiFamily 5 to 20 units
2023	Regency Plaza Apartments	PROVIDENCE	MultiFamily over 20 units
2023	182 Grove Ave Apartments	EAST PROVIDENCE	MultiFamily 5 to 20 units
2023	182 Grove Ave Apartments	EAST PROVIDENCE	MultiFamily 5 to 20 units
2023	Park Terrace Condominiums	PAWTUCKET	MultiFamily over 20 units
2023	Park Terrace Condominiums	PAWTUCKET	MultiFamily over 20 units

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 Commission’s Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-16

Request:

Please provide a table showing the performance incentive (for both gas and electric) earned by the Company in the years 2020 through 2023 (provide the expected performance incentive for 2023).

Response:

Table 1 below illustrates the performance incentive (for both gas and electric) earned by the Company from 2020-2023 (with expected performance incentive shown for 2023).

Table 1: Performance Incentive 2020-2023

Year	Electric Performance Incentive (\$)	Gas Performance Incentive (\$)	Total Performance Incentive (\$)
2020	\$3,242,675	\$347,732	\$3,590,407
2021	\$4,179,590	\$996,123	\$5,175,713
2022	\$3,393,827	\$720,084	\$4,113,911
2023 (forecasted)	\$3,256,906	\$750,408	\$4,007,314

PUC 5-17

Request:

It appears that one of the main drivers for the incremental increase in the electric design performance payout is due to the increase in the Marginal Distribution Cost (MDC) value. Please confirm this premise. Please fully explain the drivers for the incremental increase in electric PIM eligible benefits, i.e., referring to the MDC value, was the increase in utility system benefits caused by changes to the quantity of peak demand savings or the value of peak demand savings.

Response:

Please note that this response incorporates corrections from the *Corrected Responses to PUC and Division Data Requests* filed on December 5, 2023, and/or other corrections made in this docket.

PIM-eligible benefits increased from \$111.0M in the 2023 Plan Compliance Filing to \$127.3M in the 2024 Plan. There are several potential drivers to the change in PIM. These include changes in program design and budgets, updated evaluation results, and changes to avoided costs.

To isolate the various drivers, the Company did the following analysis:

- To account for changes in program design, budgets, and evaluation results, the Company calculated the electric PIM-eligible benefits for the 2024 program inputs using the 2023 BCR model's avoided costs. This increases PIM-eligible benefits by \$5.5M to \$116.5M.
- Using 2024 avoided costs for non-capacity values, increases PIM-eligible net benefits by \$2.4M to \$118.9M.
- Updating all capacity values, except for MDC, to 2024 values, increases PIM-eligible benefits by \$1.6M to \$120.5M
- Finally, increasing the MDC value to its 2024 value, increases the PIM eligible benefits by \$6.8M to \$127.3M.

This analysis shows that 42% (\$6.8M of \$16.3M) of the increase of the PIM-eligible benefits for the 2024 electric portfolio is due to in the increase in the Marginal Distribution Cost (MDC) value. Since the electric design performance payout is a function of the PIM-eligible benefits, the increase in the MDC value is one of the main drivers for the incremental increase in the electric design performance payout.

The Narragansett Electric Company
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PUC 5-17, Page 2

Between 2023 and 2024, the quantity of planned peak demand savings decreased by 4.8%. In the 2023 Plan, capacity benefits were 22.3% of PIM-eligible benefits. Therefore, changes to the quantity of peak demand savings cause a roughly 1.1% ($4.8\% \times 22.3\%$) decrease in PIM-eligible benefits. This change in the amount of peak demand savings is a component of changes to PIM-eligible benefits due to changes in program design, capacity values, or MDC value described above.

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-18

Request:

Please recalculate the projected electric PIM (Tables E-8C) using the MDC value from the 2023 Annual Plan (the value used in calculating the 2023 PIM) and holding all other 2024 values, inputs, and savings estimates constant. (i.e., recalculate the 2024 electric PIM using the MDC value from the 2023 Annual Plan applied to the 2024 demand savings.)

Response:

Please note that this response incorporates corrections from the *Corrected Responses to PUC and Division Data Requests* filed on December 5, 2023 and/or other corrections made in this docket.

Please see Attachment PUC 5-18 for the projected electric PIM (Tables E-8C) using the MDC value from the 2023 Annual Plan (the value used in calculating the 2023 PIM) and holding all other 2024 values, inputs, and savings estimates constant. This shows that the Design Performance Payout for eligible sectors is \$4,080,000.

Table E-8C
Rhode Island Energy
2024 PIM and SQA (\$000)

	Performance Incentive								
	Eligible Benefits		Eligible Costs	Eligible Net Benefits	Design Performance Achievement	Design Payout Rate	Design Performance Payout	Payout Cap	Service Quality Adjustment Applied
	100% Utility System Benefits	50% Resource Benefits							
Residential	\$26,871	\$10,368	\$30,238	\$7,001	\$7,001	10.1%	\$707	\$884	FALSE
Income Eligible Residential	\$7,554	\$1,719	\$16,230	-\$6,957	\$2,000	25.0%	\$500	\$625	TRUE
Commercial & Industrial	\$74,494	-\$521	\$40,592	\$33,381	\$33,381	10.1%	\$3,373	\$4,217	FALSE

	Service Quality Adjustment (SQA)				
	Eligible Benefits		Eligible Costs	Design Service Achievement	Maximum SQA
	100% Utility System Benefits	50% Resource Benefits			
Residential	\$26,871	\$10,368	\$30,238	\$37,239	\$0
Income Eligible Residential	\$7,554	\$1,719	\$16,230	\$9,273	\$359
Commercial & Industrial	\$74,494	-\$521	\$40,592	\$73,973	\$0

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 Commission's Fifth Set of Data Requests
Issued on November 27, 2023

PUC 5-19

Request:

Referring to the proposed 2024 gas PIM and changes to both avoided costs and planned savings, please explain the factors driving the design performance payout increase from \$792k in the 2023 Annual Plan to \$905k in the 2024 Annual Plan.

Response:

Please note that this response incorporates corrections from the *Corrected Responses to PUC and Division Data Requests* filed on December 5, 2023 and/or other corrections made in this docket. With these corrections, the Design Payout is estimated to be \$899k.

The only gas sector that is eligible for a performance incentive in both the 2023 and 2024 annual plans is the C&I sector. From 2023 to 2024, gas C&I PIM-eligible benefits increased from \$16.0M to \$16.2M. From 2023 to 2024, gas C&I PIM-eligible costs decreased from \$9.2M to \$8.5M. Therefore, from 2023 to 2024, gas C&I PIM-eligible net benefits increased from \$6.8M to \$7.7M.

There are two key factors influencing the increase in the design performance payout: changes to program design (budgets and measure mix) and changes in avoided costs.

If the gas PIM-eligible net benefits and design performance payout are calculated using 2024 program inputs and 2023 BCR model avoided costs, the impact of changes in program design on the Design Performance Payout can be determined. Doing this analysis, the resulting payout is \$856k. This indicates that \$64k of the Design Performance Payout increase (\$856k minus \$792k) is attributed to changes in program design. Therefore, the remaining \$43k of the Design Performance Payout increase (\$899k minus \$846k) is due to changes in avoided costs.