

October 8, 2024

VIA ELECTRONIC MAIL AND HAND DELIVERY

Stephanie De La Rosa, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

RE: Docket No. 24-37-EE – The Narragansett Electric Company d/b/a Rhode Island Energy's Proposed 2025 Gas Demand Response Pilot Responses to Division Data Requests – Set 1

Dear Ms. De La Rosa:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the "Company"), enclosed please find the Company's responses to the Division of Public Utilities and Carriers' ("Division's") First Set of Data Requests in the above-referenced matter.

The Company's response to Division 1-10 is pending.

Thank you for your attention to this filing. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

Sincerely,

Andrew S. Marcaccio

Che & m

cc: Docket No. 24-37-EE Service List

Division 1-1

Request:

For each year that the Gas Demand Response Pilot ("GDRP") has been in place, identify all *net* reductions in greenhouse gas emissions from "space heating" that have been achieved during peak demand events through the curtailment of natural gas combustion, and provide all reports, studies analyses, *etc.* that support each identified amount.

Response:

For each year the GDRP has been in place, there have been no measured net reductions in greenhouse gas emissions from space heating. As stated in the Company's filing, since its inception, the primary objectives of the GDRP have been to test customer interest in participating in the program along with the potential to mitigate capacity constraints on the distribution system by reducing peak gas demand through gas demand response. While the Company has not tracked greenhouse gas emissions reductions resulting from demand response events, we recognize the contributing role this demand-side resource may play in facilitating the achievement of Rhode Island's Act on Climate requirements. Conceptually, if the GDRP is successful in reducing natural gas consumption during peak events, greenhouse gas emissions associated with natural gas combustion for either spacing or process heating will be reduced.

_

¹ 9/20/2024 Filing at 16.

Division 1-2

Request:

For each year that the GDRP has been in place, identify all incremental amounts of greenhouse gases that have been emitted when customers who are enrolled in the GDRP reduce their natural gas usage for event periods by switching to oil. For example, during program event periods in 2023-24 season, the Company states participants' aggregate reduction in natural gas usage for two event periods was 1,866 Dth¹ but that the participants had to be capable of switching from natural gas to oil.²

Response:

As stated in the Company's filing, since its inception, the primary objectives of the GDRP have been to test customer interest in participating in the program along with the potential to mitigate capacity constraints on the distribution system by reducing peak gas demand through gas demand response. As such, while the Company has not tracked greenhouse gas emissions resulting from demand response events, we recognize the contributing role this demand-side resource may play in facilitating the achievement of Rhode Island's Act on Climate requirements. Conceptually, if the GDRP is successful in reducing natural gas consumption during peak events, greenhouse gas emissions associated with natural gas combustion for either spacing or process heating will be reduced. Of course, where a participating customer switches to a backup fuel such as oil during a peak event, greenhouse gas emissions reductions are offset to a degree – the net effect of which could even potentially be increased incremental emissions. Going forward, and in light of the Act on Climate, the Company recognizes the critical importance of performing such an emissions accounting analysis for gas demand response.

¹ 9/20/2024 Filing at 8.

² 6/28/2024 System Reliability Procurement for GDRP 2024-26 at 3.

Division 1-3

Request:

For each year the Peak Period Demand Response ("PPDR") pilot offering has been in place identify how much "demand reduction" has been achieved via: a) "Non-gas backup heating"; and b) Thermostat reduction.\(^1\) In your response explain if term "non-gas backup heating" means "oil heating." Also, identify the percentages of "demand reduction" that have been achieved via oil heating versus other forms of non-gas back-up heating.

Response:

All of the historical demand reduction for PPDR has been from Thermostat reduction. There has been no non-gas backup heating participation in PPDR. In general, non-gas backup heating would refer to oil heating.

¹ 9/20/2024 Filing at 10.

Division 1-4

Request:

Provide an update of the Company's discussions with the one additional customer who "expressed interest in participating in the program," for the 2024-25 season.¹

Response:

On October 3, 2024, the Company received program applications from the customer for five sites. They are currently being processed to determine technical eligibility for participation. An update can be provided prior to or at the PUC hearing as more details are known.

¹ 6/28/2024 System Reliability Procurement for GDRP 2024-26 at 3.

Division 1-5

Request:

Identify the number of additional customers that will be enrolled in the GDRP in the 2024-25 season versus the 2023-24 season. With respect to each additional customer identified in the 2024-25 season, please provide the following information:

- a. Customer size;
- b. Whether the customer will utilize non-gas backup heating and/or thermostat reduction during an event period; and
- c. The type of non-gas backup heating of each customer will employ during an event period.

Response:

There is currently one additional customer that has submitted program applications on October 3, 2024 for five sites.

- a. The Company is currently assessing the size of the load reduction and can provide an update when more details are known.
- b. The customer will utilize thermostat reduction during an event period.
- c. Not applicable

Division 1-6

Request:

For each year that the GDRP has been in place, identify all Utility Reliability Procurement Investments have been deferred.

Response:

No Utility Reliability Procurement investments have been deferred as a result of the GDRP during any year the program has been in place. The primary objectives of the GDRP have been to test customer interest in participating in the program along with the potential to mitigate capacity constraints on the distribution system by reducing peak gas demand through gas demand response. The pilot was not designed to test the ability of gas demand response to mitigate specific system constraints or defer specific Utility Reliability Investments, rather evaluate its conceptual potential. The GDRP has yet to provide a consistent and reliable level of reduction in gas usage during system peak demand periods due to inconsistent historic performance during called events and low customer enrollment year-over-year. Even so, the ongoing conceptual potential for gas demand response to deliver least-cost system benefits suggests that keeping the momentum of the program going through continuation of the low-cost Pilot be considered so that Rhode Island Energy can continue to evaluate the efficacy of demand response in mitigating system constraints via non-infrastructure investments.

Division 1-7

Request:

For each year that the GDRP has been in place, identify all Utility Reliability Procurement Investments have been avoided altogether.

Response:

No Utility Reliability Procurement investments have been avoided altogether as a result of the GDRP during any year the program has been in place. The primary objectives of the GDRP have been to test customer interest in participating in the program along with the potential to mitigate capacity constraints on the distribution system by reducing peak gas demand through gas demand response. The pilot was not designed to test the ability of gas demand response to mitigate specific system constraints or avoid specific Utility Reliability Investments, rather evaluate its conceptual potential. The GDRP has yet to provide a consistent and reliable level of reduction in gas usage during system peak demand periods due to inconsistent historic performance during called events and low customer enrollment year-over-year. Even so, the ongoing conceptual potential for gas demand response to deliver least-cost system benefits suggests that keeping the momentum of the program going through continuation of the low-cost Pilot be considered so that Rhode Island Energy can continue to evaluate the efficacy of demand response in mitigating system constraints via non-infrastructure investments.

Division 1-8

Request:

For each year that the GDRP has been in place provide all benefit/cost studies, assessments, analyses, *etc.* the Company has performed of the GDRP.

Response:

No benefit-cost studies, assessments, or analyses of the GDRP have been performed during any of the years the program has been in place. To-date, gas demand response has yet to demonstrate more than speculative evidence it is a demand-side resource capable of reliably mitigating capacity constraints on the gas distribution system through the deferral or avoidance of Utility Infrastructure investments. The GDRP has not provided consistent and reliable levels of reduction in gas usage during system peak demand periods due to inconsistent historic performance during called events and low customer enrollment year-over-year. As such, the year-over-year outcomes associated with the GDRP have not warranted investing the time, resources, and expense required to perform benefit-cost analyses.

Division 1-9

Request:

The PPDR pilot offering has been in place since the winter of 2018/19. The Extended Demand Response ("EDR") pilot offering has been in place since 2019/20. Explain how these pilot offerings are consistent with the PUC's directive that "a pilot is ... a program that is limited in . . . time..."

Response:

The Company's original intent in 2024 was to propose a three-year plan for a Gas Demand Response Program ("GDRP"), beyond the pilot. Three factors have led to a change to propose a one-year extension of the current pilot:

- 1. The GDRP has yet to provide a consistent and reliable level of reduction in gas usage during system peak demand periods due to inconsistent historic performance during called events and low customer enrollment year-over-year. Even so, the ongoing conceptual potential for gas demand response to deliver least-cost system benefits suggests that keeping the momentum of the program going through continuation of the low-cost pilot be considered so that Rhode Island Energy can continue to evaluate the efficacy of demand response in mitigating system constraints via non-infrastructure investments.
- 2. The Public Utilities Commission's recommendations related to the Future of Gas Docket 22-01-NG is not expected until 2025. The Company believes it would be beneficial for any long-term Gas Demand Response plan to be informed by the PUC's guidance in this proceeding.
- 3. In Docket SB-2021-04, the Energy Facilities Siting Board has directed the Company to file a Targeted Demand Response, Energy Efficiency, and Electric Heating Conversion Program with the Public Utilities Commission by June 1, 2025. The Company suggests avoiding any potential for a long-term Gas Demand Response plan to pre-empt outcomes from that filing.

The Company is proposing a one-year extension of the of the GDRP Pilot until the resolution of outcomes are clearer.

¹ Dkt. 4600-A, Guidance Document at 8.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was 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.

Joanne M. Scanlon

October 8, 2024

Date

Docket No. 24-37-EE – Rhode Island Energy 2025 Gas Demand Response Pilot Investment Proposal Service list 10/2/2024

Name/Address	E-mail Distribution List	Phone
The Narragansett Electric Company d/b/a Rhode Island Energy Andrew S. Marcaccio, Esq. Celia B. O'Brien, Esq.	AMarcaccio@pplweb.com;	401-784-4263
	JHutchinson@pplweb.com;	
	COBrien@pplweb.com;	
280 Melrose St.	<u> </u>	
Providence, RI 02907	JScanlon@pplweb.com;	
	SBriggs@pplweb.com;	
	BSFeldman@RIEnergy.com;	
	CAGill@RIEnergy.com;	
	RLGresham@RIEnergy.com;	
	DMMoreira@RIEnergy.com;	
Division of Public Utilities and Carriers Leo J. Wold, Esq.	leo.wold@dpuc.ri.gov;	401-784-2120
	mark.a.simpkins@dpuc.ri.gov;	
	Margaret.L.Hogan@dpuc.ri.gov;	
	Christy.hetherington@dpuc.ri.gov;	
	john.bell@dpuc.ri.gov;	
	Joel.munoz@dpuc.ri.gov;]
	Ellen.golde@dpuc.ri.gov;]
Tim Woolf	twoolf@synapse-energy.com;	
Jennifer Kallay	jkallay@synapse-energy.com;	-
Synapse Energy Economics 22 Pearl Street		
Cambridge, MA 02139		

Office of Energy Resources (OER) Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908	Albert.Vitali@doa.ri.gov; Nancy.Russolino@doa.ri.gov; Christopher.Kearns@energy.ri.gov; Steven.Chybowski@energy.ri.gov; William.Owen@energy.ri.gov; Nathan.Cleveland@energy.ri.gov; Karen.Bradbury@energy.ri.gov;	401-222-8880
Original & 9 copies file w/: Stephanie De La Rosa, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Stephanie.DeLaRosa@puc.ri.gov; Luly.massaro@puc.ri.gov; John.Harrington@puc.ri.gov; theodore.smith.ctr@puc.ri.gov; Alan.nault@puc.ri.gov; Todd.bianco@puc.ri.gov;	401-780-2107
RI Energy Efficiency & Resource Management Council (EEC) Seth Handy, Esq. Handy Law LLC Helen Anthony Craig Johnson Adrian Caeser	seth@handylawllc.com; helen@handylawllc.com; craig.johnson@nv5.com; Adrian.Caesar@nv5.com;	
Acadia Center Emily Koo, Director	Larry@massenergy.org; EKoo@acadiacenter.org;	