

The Rhode Island Energy Efficiency and Resource Management Council

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October 18, 2017

VIA ELECTRONIC MAIL AND HAND DELIVERY

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

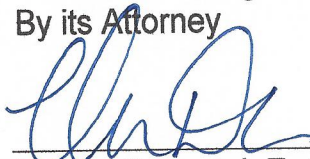
RE: Docket #4684 - Responses to PUC Data Request, Set 1: 2018-2020 Energy Efficiency and System Reliability Procurement Plan

Dear Luly,

The Energy Efficiency and Resource Management Council is pleased to submit this cover letter and attached responses to the Public Utility Commission's first set of data requests in the above-referenced docket.

Please do not hesitate to contact me if you have any questions in this regard.

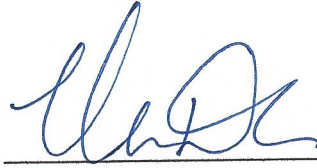
Respectfully submitted,
Rhode Island Energy Efficiency
Resource Management Council
By its Attorney



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CERTIFICATION

I hereby certify that I filed an original and nine (9) copies of the within Response and sent a true copy, via electronic mail, on this 18th day of October, 2017, to the Service List for Docket #4684.



Energy Efficiency and Resource Management Council
RIPUC Docket 4684
In Re: 2018-2020 Energy Efficiency and
System Reliability Plan
Responses to Commission's First Set of Data Requests
Issued on October 5, 2017

PUC 1-1

Request:

When conducting the cost-effective analysis using the TRC and the RI Test for program year 2018 of the Three-Year Plan, please provide the following inputs:

- a. What was the 2018 electric budget? Does this amount exceed the budget cap established in 2017- H 5175 Sub Aaa, Budget Article I Sub Aaa, Section 17? If yes, please explain why the input was used in the benefit cost analysis. If no, please explain why not.
- b. What was the 2018 gas budget?

Response:

a. The 2018 electric budget, as reported in the Final Electric Funding Plan, is approximately \$103 million: \$96.6 million in implementation costs and \$6.4 million in expenses and target performance incentive. This amount exceeds the budget cap established in 2017 – H 5175, because the Three-Year Plan aims to illustrate the strategies that National Grid can take to save energy and deliver economic benefits to the state. Therefore, it does not limit the delivery of energy efficiency in 2018 due to the budget cap. The budget cap will be addressed in the 2018 Annual Plan.

b. The 2018 gas budget, as reported in the Final Electric Funding Plan, is approximately \$29.4 million: \$27.4 million in implementation costs and \$2.0 million in expenses and target performance incentive.

PUC 1-2

Request:

Did the EERMC's analysis account for the \$12.5 million transfer from the 2018 Energy Efficiency Budget to the State General Fund pursuant to 2017- H 5175 Sub Aaa, Budget Article I Sub Aaa, Section 17? If yes, please explain. If no, please explain why not

Response:

The cost-effectiveness results summarized on page 5 of the EERMC's Cost-Effectiveness Report dated 22 September 2017 do not include the \$12.5 million transfer to the General Fund. The costs included in both the TRC and RI Tests are program implementation, customer contribution, expenses, and the target performance incentives. It would be inappropriate to include the transfer to the General Fund in the assessment of whether or not the energy efficiency programs provide economic benefits to the state, because those funds are not in any way a result of implementing the energy efficiency programs.