

April 27, 2021

VIA ELECTRONIC MAIL

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

RE: Docket 5076 – 2021-2023 Energy Efficiency Program Plan & 2021 Energy Efficiency Plan Response to PUC Post-Hearing Data Requests – Set 2

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”), attached please find the electronic version of the Company’s response to the Public Utilities Commission’s Second Set of Post-Hearing Data Requests, containing only one question, in the above-referenced docket.¹

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

cc: Docket 5076 Service List
John Bell, Division
Jon Hagopian, Esq.

¹ Per Commission counsel’s update on October 2, 2020, concerning the COVID-19 emergency period, the Company is submitting an electronic version of this filing followed by five hard copies filed with the Clerk within 24 hours of the electronic filing.

PUC Post-Hearing Data Request 2-1

Request:

Page 3 of the Division's March 19, 2021 comments to the Commission describe non-resource benefits in the IES program that are also power system benefits. Regarding these comments:

- a. Please explain if National Grid agrees with the Division's comments regarding these benefit types; specifically, that they have been classified as non-resource benefits and that they are also power or gas system benefits.
- b. Please provide the total value of these benefits and in which category (or categories) they were included in Tables 3 and 4 of National Grid's comments to the Commission.
- c. If any value associated with these benefits were categorized as non-resource benefits in Tables 3 and 4 of National Grid's comments, please provide updated Tables 3 and 4 that break out these benefits from the non-resource benefits categories. Please also provide alternative versions of Tables 7 and 9 that include these benefits as Electric or Gas Utility System Benefits in columns (a), making all other necessary adjustments in any other column of the tables.

Response:

- a. Within Footnote 1, at page three of the Division's comments, the Division refers to utility system benefits that are included in the category of non-resource benefits as including the following: "These include reduced arrearages; bad debt write-offs; terminations and reconNECTIONS; notices; and safety related emergency calls."

The Company agrees that those Non-Energy Impacts (NEIs) for the income eligible sector for arrearage, bad debt write-offs, terminations and reconNECTIONS, notices, and safety related emergency calls can be categorized as utility system benefits, consistent with the source studies from which those values are derived. In addition, "customer calls and collections" and "rate discounts" can also be categorized in the utility benefits category and are included in the benefit-cost analysis.¹ However, because these were categorized as non-resource benefits in the original tables provided with the Company's comments, they were not included in the set of benefits eligible under the PUC's PIM proposal. The Company believes it appropriate to count these benefits as utility system benefits under the PUC's PIM proposal.

¹ Refer to the Rhode Island TRM, Appendix B: [http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Energy%20Efficiency-TRM%20\(PUC%2010-23-2020\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Energy%20Efficiency-TRM%20(PUC%2010-23-2020).pdf)

PUC Post-Hearing Data Request 2-1, page 2

- b. The benefits from the indicated categories of NEIs are originally categorized in the column labeled "Non-Resource" in Tables 3 and 4 of National Grid's comments dated March 19, 2021. NEIs are aggregated at the measure level in planned benefit-cost analysis and tracking system outputs, so the original output tables similarly show aggregated benefits for all NEIs in a program.

The total value of the seven indicated categories of Utility NEIs that were included in the column "Non Resource" for the Income Eligible sector in Tables 3 and 4 are as follows:

Table 3 (Electric):	\$581,470
Table 4 (Gas):	\$179,286

- c. Please refer to the attached revised versions of Tables 3, 4, 7, and 9 from the Company's March 19, 2021 Comments to the PUC. The values of utility NEIs have been indicated in a separate column in Revised Tables 3 and 4 and changed cells are indicated in yellow highlight. Within Revised Tables 7 and 9 the value of the utility NEIs are added to Column A with adjustments made as necessary to calculations in other columns and changed cells indicated by yellow highlight.

Table 3 (Revised). Summary of 2021 Electric Energy Efficiency Benefits for PUC PIM

Sector	Benefits (\$)																	
	Capacity					Energy					Utility NEIs	Non Electric				Societal		
	Summer Generation	Capacity DRIPE	Trans	Dist	Reliability	Winter		Summer		Energy DRIPE	Utility NEIs	Natural Gas	Oil	Other Resource	Non Resource	Carbon	NOx	Economic
						Peak	Off Peak	Peak	Off Peak									
Non-Income Eligible Residential	\$1,826,244	\$2,217,642	\$2,619,966	\$2,275,207	\$26,454	\$4,367,168	\$4,302,109	\$1,769,110	\$1,332,165	\$6,254,495	\$0	\$364,454	\$10,571,133	\$1,658,245	\$4,351,823	\$7,730,690	\$599,978	\$40,664,015
Income Eligible Residential	\$503,847	\$66,663	\$645,339	\$560,419	\$2,435	\$862,612	\$862,933	\$438,262	\$401,796	\$1,023,869	\$581,470	\$99,122	\$5,786,231	\$406,856	\$10,875,706	\$2,426,047	\$240,593	\$15,270,921
Commercial & Industrial	\$14,776,107	\$43,582	\$19,443,469	\$16,884,916	\$71,494	\$22,432,812	\$16,443,401	\$16,171,406	\$9,901,681	\$31,356,199	\$0	(\$7,993,292)	\$0	\$202,754	\$31,163,254	\$25,671,006	\$858,960	\$223,471,641
Included in PUC PIM? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Percent Application in PUC PIM	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	50%	50%	50%	0%	0%	0%	0%
Benefit Categorization	Electric Utility System Benefits										Resource Benefits				N/A			

Notes and Sources: 2021 Electric benefit-cost model. Note that benefits are shown with their full value in this table, that is, no percent application has been applied.

Table 4 (Revised). Summary of 2021 Gas Energy Efficiency Benefits for PUC PIM

Sector	Benefits (\$)																		
	Natural Gas Benefits			Electric Capacity					Electric Energy					Non-Electric and Non-Gas			Societal		
	Natural Gas	Natural Gas DRIPE	Utility NEIs	Summer Generation	Capacity DRIPE	Trans	Dist	Reliability	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	Electric Energy DRIPE	Oil	Other Resource	Non Resource	Carbon	NOx	Economic
Non-Income Eligible Residential	\$14,112,497	\$275,958	\$0	\$126,671	\$942	\$142,390	\$123,653	\$7,036	\$35,111	\$35,212	\$73,045	\$56,564	\$54,716	\$0	\$236,970	\$7,368,132	\$6,022,122	\$823,782	\$14,305,074
Income Eligible Residential	\$4,988,980	\$80,930	\$179,286	\$38,689	\$0	\$43,151	\$37,472	\$2,038	\$26,051	\$27,374	\$22,538	\$17,800	\$28,000	\$0	\$51,179	\$11,847,823	\$2,111,665	\$287,697	\$10,557,445
Commercial & Industrial	\$17,649,927	\$621,554	\$0	\$8,500	\$18	\$9,695	\$8,419	\$485	\$1,544	\$1,245	\$5,017	\$3,804	\$3,785	\$0	\$367,529	\$16,249,028	\$8,553,903	\$1,267,101	\$18,911,147
Included in PUC PIM? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Percent Application in PUC PIM	100%	100%	100%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	0%	0%	0%	0%
Benefit Categorization	Gas Utility System Benefits			Resource Benefits												NA			

Notes and Sources: 2021 Gas benefit-cost model. Note that benefits are shown with their full value in this table, that is, no percent application has been applied.

Table 7 (Revised). Electric Energy Efficiency Performance Incentive

Sector PI = $\min\{ \text{Payout Cap}(j), [\text{Actual Net Benefits} * \text{Design Payout Rate}(g) * \text{Payout Rate Adjustment}(i)] \}$

Sector	Planned Eligible Benefits		Planned Eligible Costs	Planned Eligible Net Benefits	Design Performance Achievement	Design Performance Payout	Design Payout Rate	Design Payout Rate Thresholds	Payout Rate Adjustments	Payout Cap	Service Quality Metric
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	100% Electric Utility System Benefits—Chosen by PUC; values from EE Plan	50% Resource Benefits—Chosen by PUC; values from EE Plan	As proposed + planned Regulatory costs—Chosen by PUC; values from EE Plan	=(a)+(b)-(c)	Net benefits at which design incentive pool is achieved—set by PUC	Set by PUC	=(f)/(e)	Achievement levels at which the Payout Rate Adjustments in (i) will be applied—Set by PUC	Factor to adjust Design Payout Rate for if final program achievement fall within the ranges in (h)—Set by PUC	=1.25*(f)	Yes if (d) ≤ 0; No if (d) >0
Mkt. Res.	\$26,990,559	\$6,296,916	\$35,277,973	(\$1,990,498)	\$2,000,000	\$500,000	25%	a.Achievement < 25% b.25% ≤ Achievement < 50%	a.0.0 b.Achievement/100 + 0.1	\$625,000	Yes
IES	\$5,949,644	\$3,146,105	\$16,887,402	(\$7,791,653)	\$2,000,000	\$500,000	25%	c.50% ≤ Achievement < 75%	c.Achievement/100 + 0.25	\$625,000	Yes
C&I	\$147,525,068	(\$3,895,269)	\$54,119,601	\$89,510,198	\$89,510,198	\$5,500,000	6.14%	d.75% ≤ Achievement •Spending > Planned Eligible Costs	d.1.0 •See Boundary Rules	\$6,875,000	No
Notes	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Does not change	Does not change	Changes annually	Changes annually if planned net benefits in-sector change to positive year-over-year. SQA would not apply in that case.

Table 9 (Revised). Gas Energy Efficiency Performance Incentive
Sector PI = $\min\{ \text{Payout Cap}(j), [\text{Actual Net Benefits} * \text{Design Payout Rate}(g) * \text{Payout Rate Adjustment}(i)] \}$

Sector	Planned Eligible Benefits		Planned Eligible Costs	Planned Eligible Net Benefits (4)	Design Performance Achievement	Design Performance Payout	Design Payout Rate	Design Payout Rate Thresholds	Payout Rate Adjustments	Payout Cap	Service Quality Metric
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	100% Gas Utility System Benefits—Chosen by PUC; values from EE Plan	50% Resource Benefits—Chosen by PUC; values from EE Plan	As proposed + planned Regulatory costs—Chosen by PUC; values from EE Plan	= $(a)+(b)-(c)$	Net benefits at which design incentive pool is achieved—set by PUC	Set by PUC	= $(f)/(e)$	Achievement levels at which the Payout Rate Adjustments in (i) will be applied—Set by PUC	Factor to adjust Design Payout Rate for if final program achievement fall within the ranges in (h)—Set by PUC	= $1.25*(f)$	Yes if $(d) \leq 0$; No if $(d) > 0$
Mkt. Res.	\$14,388,455	\$446,155	\$14,712,461	\$122,149	\$122,149	\$100,000	81.8674%	a.Achievement < 25% b.25% ≤ Achievement < 50% c.50% ≤ Achievement < 75% d.75% ≤ Achievement *Spending > Planned Eligible Costs	a.0.0 b.Achievement/100 + 0.1 c.Achievement/100 + 0.25 d.1.0 *See Boundary Rules	\$125,000	No
IES	\$5,249,197	\$147,146	\$9,145,150	(\$3,748,806)	\$2,000,000	\$500,000	25.0000%			\$625,000	Yes
C&I	\$18,271,480	\$205,019	\$9,137,008	\$9,339,492	\$9,339,492	\$1,600,000	17.1316%			\$2,000,000	No
Notes	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Changes annually	Does not change	Does not change	Changes annually	Changes annually if planned net benefits in-sector change to positive year-over-year. SQA would not apply in that case.

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

April 27, 2021

Date

**Docket No. 5076 - National Grid – 2021-2023 Energy Efficiency Program Plan & 2021 Annual Energy Efficiency Program Plan
Service list updated 4/1/2021**

Name/Address	E-mail Distribution List	Phone
National Grid Andrew Marcaccio, Esq. National Grid 280 Melrose St. Providence, RI 02907 Leticia C. Pimentel, Esq. Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903	Andrew.Marcaccio@nationalgrid.com;	401-784-4263
	Jennifer.Hutchinson@nationalgrid.com;	
	Raquel.webster@nationalgrid.com;	
	Joanne.scanlon@nationalgrid.com;	
	Celia.obrien@nationalgrid.com;	
	Matthew.Chase@nationalgrid.com;	
	Timothy.Roughan@nationalgrid.com;	
	John.Tortorella@nationalgrid.com;	
	Christopher.Porter@nationalgrid.com;	
	BENJAMIN.RIVERS@nationalgrid.com;	
	John.Richards@nationalgrid.com;	
	Matthew.Ray2@nationalgrid.com;	
	LPimentel@rc.com;	
Division of Public Utilities and Carriers Jon Hagopian, Esq.	Jon.hagopian@dpuc.ri.gov;	401-784-4775
	Margaret.L.Hogan@dpuc.ri.gov;	
	john.bell@dpuc.ri.gov;	
	Joel.munoz@dpuc.ri.gov;	
Tim Woolf Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	twoolf@synapse-energy.com;	
	jkallay@synapse-energy.com;	

RI EERMC Marisa Desautel, Esq. Office of Marisa Desautel, LLC 55 Pine St. Providence, RI 02903 Mike Guerard, Optimal Energy	marisa@desautelesq.com ;	401-477-0023
	guerard@optenergy.com ;	
	ross@optenergy.com ;	
	kravatz@optenergy.com ;	
Acadia Center Hank Webster, Director & Staff Atty.	HWebster@acadiacenter.org ;	401-276-0600 x402
Office of Energy Resources (OER) Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908 Nick Ucci, Commissioner	Albert.Vitali@doa.ri.gov ;	401-222-8880
	Nancy.Russolino@doa.ri.gov ;	
	Christopher.Kearns@energy.ri.gov ;	
	Nicholas.Ucci@energy.ri.gov ;	
	Becca.Trietch@energy.ri.gov ;	
	Carrie.Gill@energy.ri.gov ; Nathan.Cleveland@energy.ri.gov ;	
Green Energy Consumers Alliance Larry Chretien, Executive Director Kai Salem	Larry@massenergy.org ;	
	kai@greenenergyconsumers.org ;	
	priscilla@greenenergyconsumers.org ;	
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Cynthia.WilsonFrias@puc.ri.gov ;	
	John.Harrington@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	
Frederick Sneesby Dept. of Human Services	Frederick.sneesby@dhs.ri.gov ;	
Chris Vitale, Esq., RI Infrastructure Bank	cvitale@hvlawltd.com ;	
	SUsatine@riib.org ;	
Ronald Reybitz Stephen Breininger PPL Electric Utilities	rjreybitz@pplweb.com ;	
	skbreininger@pplweb.com ;	
Doug Gablinske, Executive Director The Energy Council of RI	doug@tecri.org ;	
Jordan Garfinkle Bloom Energy	Jordan.Garfinkle@bloomenergy.com ;	