

TEC- *RI*

THE ENERGY COUNCIL

**436 Armistice Blvd
Pawtucket, RI 02861**

September 19, 2011

Luly Massaro
Clerk
Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

Subject: Docket #4284, National Grid's Proposed 2012–2014 Energy Efficiency and System Reliability Procurement Plan

Dear Ms. Massaro:

The Energy Council of Rhode Island (TEC-RI) submits this letter in support of the subject plan filed with the Commission on September 7, 2011.

TEC-RI has provided substantial input to the three year plan and we are pleased that many of our suggestions have been included. We believe that if all features of the plan are implemented in an effective and timely manner that it can be successful.

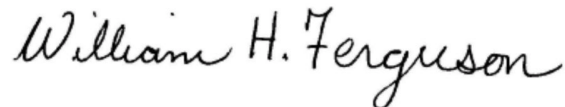
However, we feel that the implementation of the three year plan merits close monitoring and may call for adjustments in goals and/or implementation strategies depending on the program's progress and effectiveness. Among our primary concerns about the three year plan are: (1) the increases in the customer energy efficiency charges and their cost impacts on large customers who don't participate and (2) the feasibility of meeting this ramp up in goals. Widespread participation by all large C&I customers and expeditious and effective implementation of all plan elements is necessary to address these concerns.

Important features have been included in this plan that are intended to assure participation by all large C&I customers. These features include the SEMP (Strategic Energy Management Plan) (page 20 of the plan), making financing available to all large C&I customers (page 18 of the plan), increasing the incentive levels for gas programs (page 19 of the plan) and placing an

emphasis on CHP (page 27 of the plan). We believe that all of these program elements must be successfully implemented beginning in 2012 in order to realistically meet the goals of the three year plan and to make sure that all large C&I customers who are paying into the program are getting the benefit of the program.

It will be important to monitor the progress and initiative by National Grid in delivering these program elements between now and November 1, 2012. This is when the 2013 Annual Energy efficiency plan is due. The success rate in obtaining participation by large C&I customers will have to be considered relative to possible adjustments to goals and budgets in the 2013 annual Energy Efficiency Plan.

Sincerely,

A handwritten signature in black ink that reads "William H. Ferguson". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

William H. Ferguson, CEM, LEED AP
Executive Director, TEC-**RI**