

December 10, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**Re: Docket 4367 - 2013 System Reliability Procurement Report
Responses to Commission Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed are National Grid's¹ responses to the Commission's First Set of Data Requests concerning the above-referenced proceeding.

Thank you for your attention to this filing. Please feel free to contact me if you have any questions concerning this matter at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson, Esq.

Enclosures

cc: Docket 4367 Service List
Steve Scialabba, Division
Leo Wold, Esq.

¹ The Narragansett Electric Company d/b/a National Grid.

Commission 1-1

Request:

Is the Pilot aimed at sustained load relief over a 4 or 6 year period? In her letter, Ms. Hutchinson states that sustained load relief over a 4 year period will defer the substation feeder. Page 3 of the Plan (first paragraph) refers to both a 4-year and a 6-year sustained load relief.

Response:

The Pilot is aimed at sustained load relief and substation deferral over a four-year period. The reference to the six-year period is meant to include the two-year ramp up period during which the Company will enroll customers in advance of the need for deferral.

Commission 1-2

Request:

Page 5 of the Plan. For C&I customers, does the Company use any other types of marketing, besides door-to-door interactions?

Response:

In addition to door-to-door interactions, in 2012, RISE Engineering, the Company's lead vendor for its Small Business Direct Install and EnergyWise programs, also directly telephoned C&I customers within the Pilot feeder scope. The Company plans to include greater management oversight of RISE efforts going forward and that vendor's presentment of National Grid's customer-facing messaging and branding.

In 2013, the types of C&I marketing planned for the SRP program will be expanded to utilize other channels. These channels will include telemarketing, direct mail and email blasts.

The Narragansett Electric Company

d/b/a National Grid

Docket No. 4367

In re: 2013 System Reliability Procurement Report

Responses to Commission's Data Requests – Set 1

Issued on November 27, 2012

Commission 1-3

Request:

Has participation from C&I customers met the Company's expectations?

Response:

The participation rate for C&I customers is lower than the Company's expectations due to the density of lighting upgrades that have already been performed within the targeted area. The benefit of installing lighting controls and communicating thermostats continues to be an area of focus for educating potential participants.

Commission 1-4

Request:

Page 6 of the Plan. The Company expects to achieve 39% of summer demand savings targets by the end of 2012. Are these results consistent with the Company's expectations for 2012?

Response:

No. Page 6 of the Report states that “by the end of 2012, the Company expects that it will achieve about 39% of its original, summer demand savings targets *for that year*,” meaning that the Company expects to achieve that percentage of its planned, 2012 savings targets. The Company's expectations were to meet 100% of its original summer demand savings targets for 2012.

Commission 1-5

Request:

Page 6 of the Plan. Is the window air conditioning incentive offering available to all customer classes?

Response:

The window air conditioning incentive offering is available to non-low income residential and small C&I customers. It is not available to low income customers because the program is currently being delivered through the EnergyWise and Small Business Direct Install programs, which do not service low income customers.

The Narragansett Electric Company

d/b/a National Grid

Docket No. 4367

In re: 2013 System Reliability Procurement Report

Responses to Commission's Data Requests – Set 1

Issued on November 27, 2012

Commission 1-6

Request:

Appendix 7, Pages 3-4. (ODC Evaluation, Table 1). Are the comparison communities referenced on Table 1 the same communities referenced on page 11 (Barrington, Bristol, Warren, Narragansett, North Kingstown and South Kingstown)?

Response:

Yes.

Commission 1-7

Request:

Appendix 7, Page 14. Does ODC intend to continue using the same comparison communities to evaluate the pilot's participation rates in future years?

Response:

No. Upon further evaluation of additional participation data in 2012, ODC determined that the participation baselines of these towns diverge and are expected to be somewhat volatile due to the potential for statewide community-specific outreach programs. As a result, ODC has recommended against the planned methodology of comparing Tiverton and Little Compton to these towns or any others as comparison communities because they will not provide statistically significant results. ODC is currently working with the Company to determine a more effective methodology for the evaluation of incremental energy efficiency participation in the Pilot area going forward.

Commission 1-8

Request:

Appendix 7, Page 2. (ODC Evaluation). Why did it take 3 months to begin marketing the pilot?

Response:

Marketing did not begin customer outreach for the Non-Wires SRP Pilot until May 2012 because the Company had to first order, and take delivery of the digital wi-fi thermostat technology that would be offered to the participating customers. Once the Ecobee technology arrived on May 25, 2012, and the solution was available for participants in the program, communication to customers began in the SRP non-wires pilot area.

Commission 1-9

Request:

Appendix 7, Page 6, Footnote 11. (ODC Evaluation) Why would it take a few months after a customer inquiry for a site visit to take place?

Response:

During the initial start-up phase of the program, processes and controls were still being implemented and agreed upon by the Company and vendor. This may have resulted in a time lag for the first participants resulting in the delay.

Commission 1-10

Request:

Page 6 of the Plan. What is the Demand Link Program?

Response:

The Demand Link Program is the Pilot. "Demand Link" is the National Grid-branded, customer-facing name for the Pilot.

Commission 1-11

Request:

Appendix 7, Page 6 (ODC Evaluation). What is a Demand Link installation?

Response:

A Demand Link installation is an installation of a measure being offered through the Demand Link Pilot Program. On page 6 of Appendix 7, in the first paragraph under section B, the text "...6 have completed or scheduled Demand Link installations" refers to six customers who have either already installed or made an appointment to install one or more wifi thermostats in their homes as part of the Demand Link Pilot Program.

Commission 1-12

Request:

Appendix 7, Page 5 (ODC Evaluation). Is there a typographical error in the last sentence of the last complete paragraph on page 5? The sentence begins with the words, “However, for the pilot...”

Response:

Yes, this is a typo. The sentence should read, “However, for the pilot, customers who either call in asking about the Demand Link program or call in for the EnergyWise program in general – but are eligible for Demand Link – are recorded as a Demand Link lead.”

Commission 1-13

Request:

Appendix 7, Page 7 (ODC Evaluation). Is there a typographical or grammatical error in the first sentence of Footnote 14?

Response:

This footnote is meant to explain why the percentage of customers with central air conditioning (CAC) among Demand Link leads appears to be higher than the penetration of CAC among customers eligible for the EmPower Pilot. The footnote proceeds to explain that this higher penetration may be explained by the way in which a customer was classified as a Demand Link lead. Customers were classified as a Demand Link lead by the implementation vendor if (a) they inquired directly about the Demand Link program or (b) inquired about EnergyWise but were deemed eligible for the Demand Link program because they said they had central air conditioning.

Commission 1-14

Request:

Appendix 7, Page 6, Footnote 11. (ODC Evaluation) How did the Company reach out to the 12 customers eligible for Demand Link (i.e., by phone, email, etc.), and does the Company know why these customers did not schedule a demand link installation?

Response:

The Company sent out mailings and followed up with two phone calls to each of the 12 customers who completed an EnergyWise audit in 2012 and had central air conditioning. One of the twelve customers has enrolled in the program. Four customers declined to participate, two customers had no internet service available, and were therefore ineligible, and five customers did not respond to the follow-up inquiries.

Commission 1-15

Request:

Appendix 7, Page 9 (ODC Evaluation). ODC states, based on Aquidneck Island experience, that it may take up to a year after the official start of a program to see an uptick in participation. Since the Load Curtailment Pilot began on or about March of 2012, will the Company revisit its marketing strategies if a noticeable increase in participation is not seen by March of 2013?

Response:

Yes. The Company will continue to evaluate its marketing strategies for effectiveness on an on-going basis through both internal review and with ODC.

The Narragansett Electric Company

d/b/a National Grid

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Responses to Commission's Data Requests – Set 1

Issued on November 27, 2012

Commission 1-16

Request:

Will Opinion Dynamics prepare another evaluation of the Load Curtailment Pilot? If yes, when?

Response:

Opinion Dynamics Corporation will continue to evaluate components of the System Reliability Procurement Pilot (a.k.a. Demand Link program) in Tiverton and Little Compton in 2013, with a report on 2012 activities currently targeted for early 2013.