

December 4, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4451 – The Narragansett Electric Company, d/b/a National Grid
2014 Energy Efficiency Program Plan
Responses to Commission Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's¹ response to Commission Data Request 1-21, 1-32, and 1-33.

Please note that pursuant to Commission Rule 1.2(g) and R.I.G.L. § 38-2-2(4)(B), the Company is requesting that the Commission provide confidential treatment and grant protection from public disclosure certain confidential, competitively sensitive, and proprietary information submitted in this proceeding. Specifically, the Company is seeking protective treatment of the confidential information contained in the response to Commission 1-33 as well as Confidential Attachment COMM 1-33.

This transmittal completes the Company's responses to the Commission's First Set of Data Requests.

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

cc: Docket 4451 Service List
Karen Lyons, Esq.
Jon Hagopian, Esq.
Steve Scialabba, Division

¹ The Narragansett Electric Company d/b/a National Grid (referred to herein as "National Grid" or the "Company").

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

**2014 Energy Efficiency Program Plan
Settlement of the Parties**

Docket No. 4451

**NATIONAL GRID'S REQUEST
FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid¹ hereby requests that the Rhode Island Public Utilities Commission (“Commission”) provide confidential treatment and grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.2(g) and R.I.G.L. § 38-2-2(4)(B). National Grid also hereby requests that, pending entry of that finding, the Commission preliminarily grant National Grid’s request for confidential treatment pursuant to Rule 1.2 (g)(2).

I. BACKGROUND

On December 4, 2013, National Grid is filing with the Commission its response to Commission Data Request 1-33, which requests pricing information from the Company’s vendor SAIC to assist with an air compressed pilot described in Attachment 2 of the Company’s 2014 Energy Efficiency Program Plan (“EEPP”). In response to Commission Data Request 1-33, the Company is providing a copy of the price proposal from SAIC, which contains confidential and proprietary pricing information. Therefore, National

¹ The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”).

Grid requests that the Commission give the information contained in the Company's response to Commission 1-33 and Attachment COMM 1-33 confidential treatment.

II. LEGAL STANDARD

The Commission's Rule 1.2(g) provides that access to public records shall be granted in accordance with the Access to Public Records Act ("APRA"), R.I.G.L. §38-2-1 *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I.G.L. §38-2-2(4). Therefore, to the extent that information provided to the Commission falls within one of the designated exceptions to the public records law, the Commission has the authority under the terms of APRA to deem such information to be confidential and to protect that information from public disclosure.

In that regard, R.I.G.L. §38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where disclosure of information would be likely either (1) to impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. Providence Journal Company v. Convention Center Authority, 774 A.2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is voluntarily provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. Providence Journal, 774 A.2d at 47.

II. BASIS FOR CONFIDENTIALITY

The information contained in the response to Commission 1-33 and Attachment COMM 1-33 contains confidential and proprietary pricing information from one of the Company's vendors. The Company obtained this information from SAIC under the terms of a confidentiality agreement, and the price proposal was prepared specifically for National Grid. National Grid is providing an un-redacted version of its response to Commission 1-33 along with Confidential Attachment COMM 1-33 on a voluntary basis to assist the Commission with its decision-making in this proceeding. Disclosure of this information would impact the competitive position of SAIC, and such disclosure would impede National Grid's future ability to obtain competitive price proposals from its vendors.

III. CONCLUSION

Accordingly, the Company requests that the Commission grant protective treatment to (i) confidential Attachment DIV 1-4, (ii) the confidential CD-ROMs as Attachment DIV 1-3, Attachment DIV 1-6, and Attachment DIV 1-7, and (iii) the un-redacted version of Attachment DIV 1-8.

WHEREFORE, the Company respectfully requests that the Commission grant its Motion for Protective Treatment as stated herein.

Respectfully submitted,

NATIONAL GRID

By its attorney,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", followed by a long horizontal flourish.

Jennifer Brooks Hutchinson (RI Bar #6176)
National Grid
280 Melrose Street
Providence, RI 02907
(401) 784-7288

Dated: December 4, 2013

Commission 1-21

Request:

Attachment 3, p. 3-25. The Company references numerous studies performed by various entities in years ranging from 2007 through 2013. Did National Grid contribute toward the cost of any of these studies? If yes,

- a) which studies did National Grid fund
- b) provide the cost incurred by National Grid for each impact evaluation study and
- c) what is the total cost incurred by National Grid directly attributable to any and all impact evaluation studies used in the development of the 2014 EEPP?

Response:

- a) National Grid contributed to the cost of all of the studies listed in Attachment 3, either through its Rhode Island affiliate, its Massachusetts affiliate, or both.
- b) Table 1 below indicates the cost incurred by National Grid for each impact evaluation study. Where available, the cost of National Grid's Rhode Island contribution is identified.
- c) It is difficult to assess the total cost incurred by National Grid directly attributable to any and all impact evaluation studies used in the development of the 2014 EEPP. The List of Sources in the 2014 Rhode Island Technical Reference Manual includes approximately 15 evaluation studies (as well as other types of sources) that were used in the development of the 2014 EEPP but were not included in Attachment 3. Some of these are studies that pre-date 2007. Others are studies that were not referenced because they were not funded by National Grid in Rhode Island. The total cost of the 35 studies listed in Table 1 is \$2,866,184. Using a ratio of the number of studies that are not included in Table 1 to the number of studies included ($=15/35$), National Grid estimates its total cost of evaluation studies used in the development of the 2014 EEPP to be 43% greater than the total cost of the 35 studies, or approximately \$4,100,000.

Table 1. Cost of Evaluation Studies

Study	Comment	National Grid RI Cost	Total NGrid Cost if RI Cost unavailable or zero
KEMA, Inc., Impact Evaluation of 2011 Rhode Island Prescriptive Lighting Installations	RI cost to date. (Final bill has not yet been received.) One study produced two reports.	\$105,921	
KEMA, Inc., Impact Evaluation of 2011 Rhode Island Custom Lighting Installations			
Energy Efficiency Messaging, Residential Energy Efficiency Program Communications Focus Groups	RI only cost	\$40,636	
Synapse Energy Economics, Avoided Energy Supply Costs in New England: 2013 Report	RI share of regional study cost	\$38,567	
New England Clean Energy Council Institute, Direct Full-Time Equivalent (FTE) Employment Supported by Energy Efficiency Programs in Rhode Island in 2012	RI-only study	\$38,976	
KEMA, Inc., Impact Evaluation of 2011 Prescriptive Gas Measures	Leveraged Massachusetts study	\$0	\$173,437
KEMA, Inc. and DMI, Inc., Impact Evaluation of 2011-2012 Prescriptive VSDs	Leveraged Massachusetts study	\$0	\$81,543
The Cadmus Group, Inc., 2012 Residential Heating, Water Heating, and Cooling Equipment Evaluation: Net-to-Gross, Market Effects, and Equipment Replacement Timing	Leveraged Massachusetts study	\$0	\$68,321
KEMA, Inc., Process Evaluation of the 2012 Bright Opportunities Program	Leveraged Massachusetts study	\$0	\$64,593
KEMA, Inc., Impact Evaluation of 2010 Prescriptive Lighting Installations	Leveraged Massachusetts study	\$0	\$369,002
Opinion Dynamics (2013). Massachusetts Cross-Cutting Behavioral Program Evaluation Integrated Report.	Leveraged Massachusetts study	\$0	\$142,607
NMR Group, Inc., Rhode Island 2011 Baseline Study of Single-family Residential New Construction	RI-only study	\$128,160	
DNV-KEMA, ERS, and APPRISE, Rhode Island Energy Code Compliance Baseline Study	RI-only study - not including cost paid by state	\$180,200	
KEMA, Inc., Impact Evaluation of the 2010 Custom – Industrial Process and Compressed Air impact	RI-only study	\$42,565	

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Study	Comment	National Grid RI Cost	Total NGrid Cost if RI Cost unavailable or zero
evaluation, September, 2012			
ERS, Rhode Island Large Commercial and Industrial Retrofit and New Construction Program Custom Gas Evaluation, September 2012	RI-only study	\$128,600	
TetraTech, Final Report – Commercial and Industrial Non-Energy Impacts Study,(prepared for Massachusetts Program Administrators), June 29, 2012	Leveraged Massachusetts study	\$0	\$109,012
TetraTech. 2011 Commercial and Industrial Programs Free-ridership and Spillover Study, September 7, 2012	RI-only study	\$68,715	
Cadmus, EnergyWise Single Family Impact Evaluation, October 2012	RI-only study	\$59,054	
NMR Group, Inc., Massachusetts Program Administrators Massachusetts Special and Cross-Sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation, August, 15, 2011.	Leveraged Massachusetts study	\$0	\$171,416
NMR Group, Inc., The Rhode Island Appliance Turn-In Program Process Evaluation, March 4, 2011.	RI-only study. One study produced two reports	\$83,903	
NMR Group, Inc., The Rhode Island Appliance Turn-In Program Impact Evaluation, October 2011.			
NMR Group, Inc., Results of the Multistate CFL Modeling Effort, April 15, 2011.	RI share less than 10%	n/a	\$151,756
The Cadmus Group, Impact Evaluation for Rhode Island Multifamily Gas Program EnergyWise Program, July 12, 2011	RI-only study	\$22,114	

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Study	Comment	National Grid RI Cost	Total NGrid Cost if RI Cost unavailable or zero
Opinion Dynamics Corporation, Evaluation of National Grid's Community Pilot Program Energy Action: Aquidneck and Jamestown, September, 2011.	RI-only study	\$35,655	
KEMA, Inc., Impact Evaluation of the 2009 Custom HVAC and 2008-2009 Custom CDA Installations, September 1, 2011	RI share of study cost	\$85,271	
KEMA, Inc., C&I Lighting Loadshape Project, Prepared for the Regional Evaluation, Measurement, and Verification Forum, June 2011.	NGrid share of NEEP EM&V forum study cost		\$68,345
KEMA, Inc., C&I Unitary HVAC Loadshape Project Final Report, Prepared for the Regional Evaluation, Measurement, and Verification Forum, June 2011.	NGrid share of NEEP EM&V forum study cost		\$25,097
ADM Associates, Inc., Residential Central AC Regional Evaluation, Final Report, October 2009	NGrid share of regional study cost		\$83,609
Nexus Market Research, Residential Lighting Markdown Impact Evaluation, January 20, 2009	RI share of study cost	\$33,386	
KEMA, Inc., Design 2000plus Lighting Hours of Use & Load shapes Measurement Study, July 2, 2009	Cost of study shared with MA and NH		\$77,331
Nexus Market Research, Inc., RLW Analytics, Inc., Residential Lighting Measure Life Study, June 4, 2008	Cost of study shared with MA and NH		\$102,077
Michael Ozog, Summit Blue, Joint Small Business Services Program Billing Analysis, 2007	Cost of study shared with MA and NH		\$37,294
RLW Analytics, Inc., National Grid Lighting Controls Impact Evaluation, Final Report, 2005 Energy Initiative, Design2000plus and Small Business	The cost of this study could not be found	n/a	

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Study	Comment	National GridRI Cost	Total NGrid Cost if RI Cost unavailable or zero
Services Programs, June 4, 2007			
RLW Analytics, Small Business Services Custom Measure Impact Evaluation, March 23, 2007	Cost of study shared with MA and NH for this study. One study produced two reports		\$49,021
RLW Analytics, Impact Evaluation Analysis of the 2005 Custom SBS Program, May 29, 2007			
TOTAL COST		\$1,091,723	\$1,774,461

Commission 1-32

Request:

Attachment 2, p.23-24. Regarding customer owned street lighting, the Company states “energy savings is dependent on hours of use.” What, if any, energy savings has the Company attributed to customer owned street lighting anticipated from the recent passage of the Municipal Streetlight Investment Act, and how were these savings estimates derived?

Response:

At this time, National Grid does not know how many communities in Rhode Island will purchase LED streetlights or what type of existing streetlights will be replaced. However, if it is assumed that approximately 700 streetlights are purchased and converted to solid state streetlighting in a year, the savings would be approximately 500,000 kWhs per year. This is consistent with the portion of energy savings that has been planned for the streetlighting end-use in the 2014 Plan.

The savings estimate was derived by taking a weighted average of incremental savings for 250-watt and 400-watt high pressure sodium lamps with LEDs multiplied by the number of lamps expected to be replaced during the 2014 program year. The actual savings will be derived using an engineering algorithm with site-specific inputs based on actual customer experience. The algorithms are available in the Technical Reference Manual, which the Company provided as Attachment COMM 1-16. Actual savings will also be determined based on specific wattages of streetlights that are converted to LEDs and the operating schedule of the new lights pursuant to the Company's proposed Rate S-05 customer-owned streetlighting tariff that is currently pending before the Commission for approval in Docket No. 4442.

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Commission 1-33

Request:

Attachment 2, p. 26-27. Regarding the compressed air pilot reserved for the Company's 5 largest customers,

- a) What is the cost of the pilot and expected duration?
- b) Please provide a copy of any estimates received from the engineering firm, SAIC, to participate in this pilot.
- c) Why/how did the Company select SAIC to assist with this pilot?
- d) Is this a voluntary pilot?
- e) Were the pilot participants selected based on customer loads?
- f) What degree of energy savings does the company anticipate from this pilot, and how was the savings estimate derived?

Response:

The pilot referenced on Attachment 2, pages 26-27, is the Company's Industrial Facility Assessment Pilot (IAP). That pilot is more fully described on Attachment 2, pages 9-10. As noted on Attachment 2, page 27, as part of the industrial pilot, the vendor will determine best practice solutions for compressed air inside the five participating facilities.

In the IAP, SAIC, Inc. ("SAIC") will be assisting the Company in finding comprehensive energy solutions for a customer's facility, including process improvements. The Company suspects that among the five customers, most may contain compressed air savings opportunities.

Given the nature of the questions and the integration of the compressed air element in the IAP, the responses below address the full IAP, rather than just the compressed air element.

- a) The pilot is expected to end by December 2014. In the third quarter of 2014, results of the pilot will be assessed and the Company will decide whether this pilot can be taken to scale as a dedicated industrial initiative for all large industrial customers, to be offered in 2015. The cost of this pilot will be the sum of customer incentives and SAIC's fees, both of which will be borne by the Company. (See the Company's response to part (b), below) and Attachment COMM 1-33 for a copy of the IAP SAIC

Redacted

Commission 1-33, page 2

- price proposal) for more details on SAIC costs. Customer incentives, and therefore, the total pilot cost, will vary depending on the scope of measures completed.
- b) The Company has a contract with SAIC for [REDACTED] to run this pilot. Please see Attachment COMM 1-33 for pricing. Because the SAIC price proposal is confidential and proprietary, the Company is providing a redacted copy of this response and Attachment COMM 1-33 for the public filing. The Company is also submitting a confidential version of this response and Confidential Attachment COMM 1-33 to the Commission subject to a motion for confidential treatment.
 - c) The Company reviewed the qualifications of its twenty existing vendors, interviewed two, and developed this pilot with SAIC because of its specific strengths in this area. This contractor understands the customer segment and has many years of experience working with manufacturers from an energy efficiency perspective. The contractor has been implementing award winning industrial programs in other parts of the country.
 - d) This pilot is completely voluntary and the Company focused on large users of electricity (typically with annual peak demand greater than 750 kW) and gas that expressed interest in the IAP.
 - e) Customer load is a threshold for participation, as noted in the response to part (d), above. Final selection of the five participating customers was based on past relationships, past participation data, potential for energy savings in the future, and willingness to invest in energy efficiency.
 - f) This pilot is expected to save 3% to 5% of the customers' current annual energy usage. Background research on nation-wide industrial programs indicated that through participation in industrial programs, customers saved 3% to 5% on an average (and in some cases as high as 10%). The Company used this research and SAIC's past experience in establishing this goal for the participating customers.

REDACTED

Facility Assessment Price Proposal

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]