

December 5, 2013

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI02888

**RE: Docket 4453 – The Narragansett Electric Company, d/b/a National Grid  
2014 System Reliability Procurement Report  
Responses to Commission Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's<sup>1</sup> responses to the Commission's First Set of Data Requests in the above-captioned proceeding.

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 4453 Service List  
Karen Lyons, Esq.  
Jon Hagopian, Esq.  
Steve Scialabba, Division

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

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically transmitted to the individuals listed below. Copies of this filing will be hand delivered to the RI Public Utilities Commission and the RI Division of Public Utilities and Carriers.



Joanne M. Scanlon

December 5, 2013

Date

**Docket No. 4453 - National Grid - 2014 System Reliability Plan**  
**Service list updated 11/5/13**

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Commission 1-1

Request:

Plan, p. 7. Describe the eligibility criteria for the Demand Link Pilot.

Response:

The primary attribute that makes a customer eligible to participate in the Demand Link Pilot is the location of their home or business. The customer's home or business must be geographically located within the Pilot area. The Pilot area includes all premises that are served by the feeders experiencing the load growth, in this case, feeders 33F3 and 33F4 served from the Tiverton substation. These two feeders serve all the residential and commercial customers in Little Compton, as well as some residential and commercial customers in the southern part of Tiverton.

There are two other attributes that will qualify a customer for certain components of the Pilot. First, a customer needs to have either central or window air conditioning (AC) in their home or business in order to participate in the Wi-Fi thermostat, Smart Plug, window AC purchase or window AC recycling incentives. The Company believes that the primary driver of the summer peaking load growth on the feeders described above is increased air conditioning usage. Therefore, these measures offered through the Pilot focus on reducing and shifting that usage.

Second, a customer also needs to have broadband internet and Wi-Fi in their home or business in order to participate in the Wi-Fi thermostat or Smart Plug incentives. This is because the technology used to conduct the demand response events communicates to the thermostats through a Wi-Fi signal. A customer without this attribute could still participate in the window AC purchase or recycling rebate component of the Pilot.

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Request:

Appendix 2, p.1. Given the largest segment of the 2014 SRP budget is devoted to evaluation,

- a) Please provide an itemized reconciliation of the proposed disposition of the 2014 evaluation budget.
- b) What is the basis for increasing the evaluation budget from \$100,000 to \$120,000 in 2014?
- c) Why does the evaluation budget decrease in years 2015 through 2017?

Response:

- a) The table below details the evaluation tasks to be conducted over the course of the 2014 calendar year, the 2014 budget for those tasks, and the deliverables with which these tasks are associated, as estimated by Opinion Dynamics Corporation with input from the Company. Please note that some of this work is in support of deliverables with due dates beyond 2014.

#	Task	2014 Budget Amount	Associated Deliverables
1	EnergyWise Participant Survey	\$10,300	2014 Marketing Effectiveness Report, 2012 – 2014 Load Impact Evaluations
2	EnergyWise Incremental Participation Analysis	\$7,100	2012 – 2013 Load Impact Evaluation
3	EnergyWise Incremental Savings Analysis	\$11,700	2012 – 2013 Load Impact Evaluation
4	Demand Link Measure Survey	\$26,100	2014 Marketing Effectiveness Report, 2014 Load Impact Evaluation
5	Smart Plug Demand Response Savings	\$19,000	2014 Load Impact Evaluation
6	Central AC Wi-Fi Thermostat Demand Response Savings	\$25,700	2014 Load Impact Evaluation

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7	Window AC Purchase/ Recycling Rebate Measure Survey	\$23,800	2014 Load Impact Evaluation
8	2015 Evaluation Plan Development	\$5,400	
9	Project Management	\$12,200	
10	Reporting	\$23,300	2013 Marketing Effectiveness Report, 2012-2013 Impact Evaluation

The total budget for these evaluation activities is \$164,600.

Tasks #4 and #7 involve gathering information on the attribution of energy efficiency (EE) savings to the SRP measures (e.g. Wi-Fi thermostats, Smart Plugs and window AC units) as a first step in quantifying an energy efficiency kW savings value for these tasks. Because these tasks will result in information that will support either including these measures in statewide EE programs for the first time or refining the savings impacts currently used, they will be sponsored by the 2014 Energy Efficiency Program Plan (EEPP) Residential Pilots budget. There will be an effort to combine Tasks #4 and #7 into one survey to conserve costs and minimize customer fatigue as much as possible. The extent to which they can be combined will depend on the extent to which participation data shows that customers participated in both the thermostat and window AC purchase/recycling rebate components.

The remaining budget outlined by Opinion Dynamics Corp. for the 2014 evaluation plan is \$114,700. The Company has, therefore, conservatively budgeted \$120,000 in its 2014 SRP Report.

- b) The evaluation budget increased from \$100,000 in 2013 to \$120,000 in 2014 simply as a result of an increase in the number and intensity of analysis activities. The 2014 evaluation plan involves activities associated with the evaluation of marketing effectiveness, incremental energy efficiency savings and demand response savings associated with the Pilot. The 2013 evaluation plan involved evaluating marketing effectiveness of a less aggressive marketing campaign, beginning to evaluate the incremental energy efficiency impacts, and developing a methodology for evaluating the demand response impacts of the Pilot.
- c) The evaluation budget thus far has included activities associated with both establishing the tools and methods as well as running the tools, completing the analysis, and making

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conclusions. Based on the most recent discussions with Opinion Dynamics Corporation, if there are no other program changes (such as changes to the measures offered), the Company expects that evaluation budgets in the years following 2014 will not include the creation of tools and methodology discussed above and, therefore, will be slightly lower.

Commission 1-3

Request:

Provide the number of EnergyWise participants in 2013, and explain Footnote 6 (Appendix 4, p.5).

Response:

Statewide EnergyWise Participants as of September 30, 2013	
Electric	
EnergyWise	7,260
EnergyWise Multifamily	2,924
Gas	
EnergyWise	1,623
EnergyWise Multifamily	861

Source: Rhode Island Energy Efficiency Third Quarter Report, November 14, 2013

Footnote 6 (Appendix 4, p.5) pertains to how the Company and RISE track EnergyWise program participation. The footnote explains that participation is tracked by Facility ID rather than by Account ID. The Company provided Opinion Dynamics with a list of Account IDs associated with each Facility ID. However, in the case of multifamily facilities where there are multiple accounts associated with a single Facility ID, there is no way of telling how many (and which) specific accounts were treated.

The footnote also states that participation counts are assigned to a specific time period (month and year) based on when the audit occurred, rather than an invoice date. This is important to note because some utilities assign participation to a particular month or year based on an invoice date (which could be a few months later than "live" program participation).



Commission 1-4

Request:

Appendix 4, p. 5. Figure 1 reports 177 audits performed in 2012. How many of these audits resulted in customer participation in an energy efficiency program or measure?

Response:

Figure 1 represents the number of EnergyWise program participants based on EnergyWise measure installation records provided to Opinion Dynamics Corporation by National Grid. As such, all participants had at least one measure installed through the EnergyWise program. The most common measure was lighting (93% of these 177 2012 participants had at least one lighting measure).

Opinion Dynamics did not assess whether EnergyWise program participation led to cross-participation in other programs.

Commission 1-5

Request:

Appendix 4, p. 2. Does Table 1 indicate that out of 163 leads, only 26 elected to participate in the Demand Link program? If yes, how does the Company plan to improve the Demand Link participation level?

Response:

Yes. The Company made some key enhancements to the program in 2013, which are detailed in the first paragraph of the "2013 Pilot Implementation Summary" section in the 2014 SRP Report. These enhancements were incorporated with the intention of increasing the Demand Link participation level, and as described later in that section and shown in Appendix 3, the 2013 Demand Link participation level has increased over 2012. Based on this improvement, in 2014, the Company plans to maintain these enhancements to continue to recruit participants while also placing an additional focus on retaining customers who are already signed up.

Commission 1-6

Request:

Appendix 4, p.8. How many Wi-Fi programmable controllable thermostats were installed in 2012?

Response:

There were 35 Wi-Fi programmable controllable thermostats installed in 2012.

Commission 1-7

Request:

Appendix 2, p.1. What is the basis for the new line item for LEDs (\$28,000) in the 2014 SRP budget?

Response:

The new line item for LEDs in the 2014 SRP budget is intended to sponsor the LED upgrade that Pilot-eligible customers will be offered starting in 2014. During their EnergyWise audit, customers will have standard LED bulbs installed instead of the standard CFLs normally offered through the EnergyWise program. The Company believes that this upgrade will provide incremental savings for customers with minimal incremental effort regarding implementation.

The budget amount of \$28,000 is based on the incremental expense of installing LEDs instead of CFLs at no charge to the customer and the estimated number of bulbs expected to be installed, which is based on historical data. The Pilot is still cost-effective with this incremental expense included.

Commission 1-8

Request:

Appendix 4, p.9.Figure 3. How does the Company plan to increase SBDI audits in 2014?

Response:

In the context of System Reliability Procurement, the Company will promote SBDI audits in the Pilot area in 2014 through the Demand Link Pilot. The Company will promote and manage SBDI audits on a statewide level in 2014 through the Company's 2014 EEPP.

In 2014, the Company will, as it did in 2013, conduct an aggressive, direct marketing campaign to recruit Pilot-eligible customers to participate in all of the available components of the Pilot, including audits. The frequency of SBDI audits in 2013 has been much higher than in previous years with over 20 customers completing the process so far.

Commission 1-9

Request:

Plan, p.17. Please be more specific about the problems experienced with analyzing data from demand response test events in 2013. Do you expect them to be worked out in 2014?

Response:

EcobeeInc. manufactures the Wi-Fi thermostats and Smart Plugs used in the Demand Link Pilot, and provides web-based user interfaces for the use of both the participants and the Company. The Company only has access to a small subset of the data that EcobeeInc. maintains through that user interface. As a result, when a demand response event is conducted, the Company must request most of the information directly from EcobeeInc., which, particularly for the Smart Plug data, is a time-intensive request. Once the data is received, the Company has to spend additional time formatting it for analysis so that conclusions can be made. Since the Company intends to conduct events more frequently over the next few years, the Company is looking to significantly simplify this process.

The Company has proposed a budget of \$10,000 under the Sales Technical Assistance and Training (STAT) heading in the 2014 SRP Report to support the initial development of a digital platform the Company could use to access and extract the event data at any time in a manageable format. While the Company does not expect to arrive at the desired state in 2014, it is aiming to have a platform available for its use in 2015. In the meantime, all event data will still be extracted and formatted using the existing process so that it can be included in the Pilot's evaluation.