



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Rhode Island Division of
Public Utilities and Carriers
89 Jefferson Blvd.
Warwick RI 02888
(401) 941-4500

October 3, 2014

Luly Massaro, Commission Clerk
State of Rhode Island Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

Docket 4522 - National Grid - Three-Year Plan - Energy Efficiency and System Reliability Procurement (2015-2017)

Dear Ms. Massaro:

The Division of Public Utilities and Carriers (the Division) submits this letter with regard to the Three-Year (2015-2017) Energy Efficiency and System Reliability Procurement Plan that National Grid (the Company) filed with the Rhode Island Public Utilities Commission (Commission) on September 2, 2014.

The Division supports the electric and gas savings targets for 2015-2017 and the EE program charges to achieve those targets. The Division finds these targets reasonable and they will serve as a useful planning tool for the Company in the development of the 2015 Energy Efficiency and System Reliability Procurement Plan. The Division believes that the three-year savings targets are based on an achievable amount of cost-effective energy efficiency resources, and that meeting these targets will result in net cost reductions for Rhode Island electricity and gas customers.

In Docket 4443, the EERMC's three year savings targets for 2015-2017, the Division submitted a December 4, 2013 letter to the Commission in which the Division supported the EERMC's three-year plan savings targets. That letter noted though that these targets should be achieved with gas and electric efficiency charges that were reasonably close to those recently agreed to for the 2014 Energy Efficiency Plan. For National Grid's filing in Docket 4522, the

Division is satisfied that National Grid's 2015-2017 Plan achieves the savings targets with reasonable gas and electric energy efficiency charges.

The Company is working in collaboration with the Energy Efficiency and Resource Management Council (EERMC) and the Rhode Island Energy Efficiency Subcommittee (the "Collaborative") to develop the 2015 Energy Efficiency and System Reliability Procurement Plan, to be filed with the Commission on November 1, 2014. As has been the case in the past, the Division will work closely with the Company and the other members of the Collaborative to develop these more detailed savings targets and budgets.

I appreciate your anticipated cooperation in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jon G. Hagopian', with a long horizontal flourish extending to the right.

Jon G. Hagopian
Senior Legal Counsel

cc: Thomas F. Ahern, Administrator
Stephen Scialabba, Chief Accountant