



144 Westminster Street
Suite 203
Providence, RI 02903
(401) 276-0600
www.env-ne.org

September 24, 2014

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

Rockport, ME
Boston, MA
Providence, RI
Hartford, CT
Ottawa, ON
Canada

**RE: Docket No. 4522 – National Grid’s 2015-2017 Energy Efficiency
Procurement and System Reliability Procurement Plans**

Dear Chairperson Curran, Commissioner Roberti, and Commissioner DeSimone:

Due to the Commission’s foresight and leadership, Rhode Island is a proven leader in energy policy. Analyses show that energy efficiency is a winning strategy for the state’s citizens, families, and business owners: it lowers energy bills and cost of doing business in the state; boosts economic activity; and reduces greenhouse gas emissions. In short, energy efficiency is a powerful tool to help chart RI’s pathway to a sustainable economy and clean energy future. ENE respectfully urges the Commission to approve National Grid’s 2015-2017 Energy Efficiency and System Reliability Plans.

The three-year plan is grounded in Rhode Island’s efficiency strategy, which is based on economics, flexible to changing market conditions, and designed to maximize consumer benefit. The statute and regulations governing Least Cost Procurement establish a process that includes: 1) assessing the amount of cost-effective potential available in Rhode Island; 2) developing triennial plans describing how the utility will invest in cost-effective energy efficiency, and annual detailed program plans; 3) evaluating, measuring, and verifying energy savings and program implementation; and 4) on-going improvement as technologies and opportunities evolve. A wide range of stakeholders are closely involved with each step of this process to ensure that all Rhode Island consumers (low income, residential, and small and big business) are getting optimal benefits from energy efficiency.

The 2015-2017 Energy Efficiency Plan presents the Commission with the opportunity to take another big step to ensure that RI continues its nation-leading levels of energy savings and low-cost, clean energy for homes and businesses. National Grid recently updated ENE’s 2009 Energy Efficiency: Engine of Economic Growth report to reflect changed market conditions. According to the updated economic modeling, if approved and fully implemented, the three-year plan will boost Rhode Island’s economy by \$1.27 billion and create over 11,000 job-years of employment economy-wide. When consumers save money on energy, the savings are most often spent in Rhode Island- supporting local our economy, our students, our education and health facilities- while payments to fossil fuel providers head immediately out of state.

The Division of Public Utilities commissioned Synapse Energy Economics to analyze what RI’s energy efficiency investment is really doing to our electric bills. The analysis finds that a homeowner who gets a home energy assessment can save approximately 12% on her electric bill by replacing inefficient lighting and appliances, and upgrading home insulation and

weatherization.¹ Factor in savings on natural gas or fuel oil use and total spending on energy is even lower. Small business customers can save as much as 37% to 47% by installing high efficiency equipment and making recommended retrofits. Importantly, even customers who do nothing to their own houses or offices benefit from their neighbors' energy efficiency actions. Reducing the state's demand for power helps lower the costs of the whole energy system, and those savings are passed on to all electric consumers. The Division's study finds that these bill savings significantly outweigh the amount—an average of just over 1%-- that we all pay to finance low cost, low risk energy efficiency investments. Far from being any sort of "extra," the Energy Efficiency Program Charge is the only portion of a consumer's bill that helps save money.

ENE respectfully urges the Commission to support fully National Grid's proposed 2015-2017 Energy Efficiency Procurement Plan to lower the cost of doing business in Rhode Island and put money back in the wallets of all consumers.

Thank you for your consideration.

Sincerely,

/s/ Abigail Anthony

Abigail Anthony, PhD
Rhode Island Director

¹ A brief explanation on citing 12 percent savings for residential customers: on behalf of the Division of Public Utilities, Synapse analyzed the impacts on average participants in each program relative to no participation (paying the EE Program Charge but maintaining the same energy consumption). For example, an average residential participant in the Lighting Program might purchase several high-efficiency light bulbs; an average participant in the Home Energy Solutions Program may receive a home energy audit, free direct install lighting, and air sealing. Since the estimate of savings from each program includes the EE Program Charge cost, a person participating in several programs might see higher bill savings than 12% since he only pays the EE Program Charge once. On the other hand, he might see lower bill savings due to interactivity of measures.