



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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

November 20, 2015

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

**Re: Docket 4580/4581 - National Grid - 2016 Energy Efficiency and System Reliability Procurement Plans**

Dear Ms. Massaro,

The Division of Public Utilities and Carriers (the Division) submits this letter with regard to the 2016 Energy Efficiency and System Reliability Procurement Plans that National Grid (the Company) filed with the Rhode Island Public Utilities Commission (Commission) on October 15, 2015.

The Division supports the 2016 electric and gas savings and the program charges to achieve the savings. We expect that the program charges will result in significant net cost reductions for Rhode Island electricity and gas customers. Further, we find the electric and gas bill impacts for the average customer to be reasonable. We understand that the gas bill impacts are a work in progress and look forward to further development of gas bill impacts models similar to the electric bill impacts models in 2016.

The Division acknowledges the Company's efforts to better align energy efficiency with solar incentives to generate deeper savings and delay or avoid capital investments addressing load growth. Thoughtful coordination of the Company's planned investments in energy efficiency, demand response, transmission and distribution infrastructure and renewables is necessary moving forward. This coordination will enable the Company to maximize

lifetime savings from its energy efficiency efforts, despite tightening building energy codes and lighting and appliance standards.

We also acknowledge the Company's efforts to continue to build the revolving energy efficiency loan funds and increase the availability of private capital to finance energy efficiency investments with the contribution of \$1.9 million towards a loan loss reserve for the Rhode Island Infrastructure Bank in 2016. The Division and its consulting team look forward to participating in further discussions on the Company's vision for financing including how these efforts can mitigate ratepayer contributions over time.

Finally, we support the Company's effort to continue to offer incentives for weatherization of oil heated homes in 2016.

If you should have any questions please feel free to contact me.

Very truly yours,



Jon G. Hagopian  
Senior Counsel  
State of Rhode Island  
Division of Public  
Utilities & Carriers

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