

November 14, 2016

**BY HAND DELIVERY AND ELECTRONIC MAIL**

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

**RE: Docket 4654 – 2017 Energy Efficiency Program Plan  
Responses to PUC Data Requests – Set 1**

Dear Ms. Massaro:

I have enclosed ten copies of National Grid's<sup>1</sup> responses to the first set of data requests issued by the Rhode Island Public Utilities Commission in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121.

Sincerely,



Raquel J. Webster

cc: Docket 4654 Service List  
Jon Hagopian, Esq.  
Steve Scialabba, Division

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



\_\_\_\_\_  
Joanne M. Scanlon

November 14, 2016  
Date

**Docket No. 4654 - National Grid - 2017 Energy Efficiency Program Plan  
Service list updated 11/11/16**

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PUC 1-1

Request:

Grid filing on Bates stamp page 6 contains Table 2 which compares 2017 proposed annual plan to 2017 as envisioned in the 3 year plan. For each line in the chart where 2017 proposed varies from 2017 in the 3 year plan by more than 5%, please provide an explanation.

Response:

The Three Year Plan included an illustration of costs, savings, and benefits based on the best information available at that time. That information has changed based on new studies, changes in costs and services, and changes in programmatic design.

Please see the chart below, which expands on Table 2 of the 2017 proposed annual plan and includes a new column labeled "% Change." Please see the explanations following the chart for all lines where there is a +/- greater than 5% change.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC docket No. 4654  
In Re: Energy Efficiency Program Plan 2017  
Responses to Commission's First Set of Data Requests  
Issued on October 31, 2016

PUC 1-1, page 2

<b>Electric Programs</b>	<b>2017 3 Year Plan</b>	<b>2017 Annual Plan</b>	<b>% Change</b>
Annual MWh Savings	201,347	201,347	0%
Lifetime MWh Savings	2,164,927	2,065,732	-5%
Annual Peak kW Savings	32,181	28,543	-13%
Total Benefits	\$ 316,528,156	\$ 247,871,847	-28%
Total Spending	\$ 90,867,248	\$ 94,568,586	4%
Benefit Cost Ratio	2.76	2.00	-38%
TRC Dollars per lifetime kWh	\$ 0.053	\$ 0.058	9%
EE Program Charge per kWh	\$ 0.00941	\$ 0.01124	16%
<b>Gas Programs</b>	<b>2017 3 Year Plan</b>	<b>2017 Annual Plan</b>	<b>% Change</b>
Annual MMBtu Savings	414,606	414,606	0%
Lifetime MMBtu Savings	4,536,303	4,945,564	8%
TRC \$/Lifetime MMBtu	\$ 7.28	\$ 7.96	8%
Total Benefits	\$ 67,758,168	\$ 66,558,401	-2%
Total Spending	\$ 27,388,832	\$ 29,747,068	8%
Benefit Cost Ratio	2.05	1.63	-26%
C&I EE Program Charge per Dth	\$ 0.629	\$ 0.726	13%
Residential EE Program Charge per Dth	\$ 0.768	\$ 0.888	14%

PUC 1-1, page 3

Electric Programs

1. Annual Peak kW Savings

- Annual peak kW savings are lower for several reasons. The first is improved lighting standards in the lighting market from the Energy Independence and Security Act (EISA). As lighting standards increase due to EISA, fewer incandescent bulbs will be readily available. Therefore, regional energy efficiency programs will no longer claim kW savings relative to those incandescent bulbs. Another factor is that the measure mix for the Commercial and Industrial (C&I) programs has shifted since the Three Year Plan was developed. The 2017 Plan expects higher energy savings from street lighting compared to the savings that was predicted in the Three Year Plan. Compared to other C&I measures, street lighting provides fewer peak KW savings due to the hours of operation. Furthermore, the EnergyWise Single Family and Multifamily impact evaluation studies found lower than anticipated realization rates, resulting in lower kW savings than were assumed in the Three Year Plan.

2. Total Benefits

- As described in the main text of the 2017 Plan (bates stamp page 8), benefits are lower for the following reasons:
- “Total Benefits for electric programs are projected to be lower than the three-year illustration in Table 2. As in 2016, this is primarily due to notable changes in the 2015 Avoided Energy Supply Costs study. The study forecasted less Demand Reduction Induced Price Effects (DRIPE) than in the previous study due to the fact that the ISO-NE market has reached equilibrium. The second major change was that the study found a lower cost for gas, which affects the avoided costs of both gas and electricity. This is due to the fact that the commodity price of gas decreased due to increased supply being extracted from the Marcellus shale region. The Company is assuming that a lower percentage of the distribution investments associated with load growth can be deferrable through energy efficiency, based on the amount of recent distribution investments allocated to asset condition or non-deferrable projects. Finally, for avoided distribution benefits, the Company has updated the treatment of line losses in the benefits calculation. Due to these factors, the avoided costs benefits have decreased in 2017.”

PUC 1-1, page 4

3. Benefit Cost Ratio

- The Benefit Cost Ratio is lower because, as described above, benefits are lower and costs are higher due to increases in the cost of saved energy for several programs.
- Costs and savings in the EnergyWise Single Family and Multi-Family programs have changed since the Three Year assumptions due to changes in evaluations, incentives, and cost-effectiveness.
- C&I Upstream Initiative costs are higher than in the Three Year Plan because fluorescents are no longer offered and measure mix has shifted towards fixtures that are more expensive.
- The C&I Sales, Technical Assistance & Training (STAT) costs are higher than the Three Year plan due to an increased level of program implementation support to complete deeper and more comprehensive non-lighting projects. This includes various forms of support for the Rhode Island Infrastructure Bank (RIIB) Efficient Buildings Fund (EBF) and Commercial Property Assessed Clean Energy (C-PACE).
- Planned savings and incentives for street lighting are higher than levels in the Three Year Plan.

4. TRC Dollars per lifetime kWh

- The TRC is higher because lifetime MWh are slightly lower due to improved lighting standards from EISA. In addition, the TRC is higher because costs are higher for the reasons mentioned in the Benefits Cost Ratio explanation above.

5. The EE Program Charge per kWh

- The EE Program Charge is higher for the following reasons included in the main text on page 7 of the Plan:
  - “For the electric sector, current sales projections are lower by 403,189,072 kWh, which places upward pressure on the EE Program Charge. There is a projected negative fund balance for Program Year 2016 that must be fully reconciled in 2017 pursuant to R.I. Gen. Laws § 39-1-27.7. The Rhode Island Infrastructure Bank (RIIB) requested \$5M from the Company for 2017 that was not anticipated in the Three-Year Plan. The Company is also expected to receive less RGGI auction revenues but more FCM auction proceeds than in the Three-Year Plan. Finally, recent evaluation results for the EnergyWise Single-Family and Multifamily programs are increasing the cost of energy savings.”

PUC 1-1, page 5

Gas Programs

1. Lifetime MMBtu
  - The lifetime MMBtu savings are higher than in the Three Year Plan because of National Grid's programmatic choices. The Company projects that more savings will come from the C&I sector to make up for lower savings in the residential sector, because of recent evaluation results for the EnergyWise Single-Family and Multifamily programs.
2. TRC \$/Lifetime MMBtu
  - The TRC cost is higher because the cost of saved energy increased for several gas programs compared to the Three Year Plan described below.
3. Total Spending
  - Total spending increased compared to the Three Year Plan illustration for several reasons:
    - Costs are higher for Residential New Construction because the Three Year Plan illustration did not include fees for Home Energy Rating System (HERS) raters..
    - Recent evaluation results for the EnergyWise Single-Family and Multifamily programs are increasing the cost of saved energy.
    - The Energy Star® HVAC program includes costs for contractor training for proper installation of condensing boilers/condensing combo units, and a Quality Installation Verification (QIV) tool that were not included in the Three Year Plan.
    - Costs are higher in the EnergyWise Multifamily program compared to the Three Year Plan illustration because there are higher costs associated with encouraging more condos to participate.
4. Benefit Cost Ratio
  - The Benefit Cost Ratio is lower primarily because there are fewer benefits given the changes in the 2015 Avoided Energy Supply Costs study and increased costs, as described above.

PUC 1-1, page 6

5. C&I and Residential EE Program Charge
  - The program charge increased for several reasons. The current gas sales projections are lower by 418,248 Dth than in the Three Year illustration, which places upward pressure on both the Residential and C&I EE Program Charge. Unlike the 2016 EE Plan in which there was a positive projected year-end fund balance, for the 2017 EE Plan, there is a projected negative fund balance for Program Year 2016 that must be fully reconciled in 2017 pursuant to R.I. Gen. Laws § 39-1-27.7. In addition, similar to the electric sector, recent evaluation results for the EnergyWise Single-Family and Multifamily programs are increasing the cost of energy savings.
  
6. Residential EE Program Charge
  - Same as described in #5 above.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC docket No. 4654  
In Re: Energy Efficiency Program Plan 2017  
Responses to Commission's First Set of Data Requests  
Issued on October 31, 2016

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PUC 1-2

Request:

Please update the response to COMM 2-7 provided in Docket 4580 (2016 EE Plan) to include the 2017 proposal. (Kindly make the font large enough to be legible).

Response:

Please see Attachment PUC 1-2 for the updates to the table that was provided in the Company's response to COMM 2-7 in Docket 4580.

**Rhode Island Energy Efficiency 2003 - 2017**

<b>Electric</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013<sup>(6)</sup></b>	<b>2014</b>
Energy Efficiency Budget (\$Million) <sup>(1)</sup>	\$23.1	\$22.6	\$23.1	\$22.4	\$22.5	\$21.0	\$32.4	\$37.6	\$59.2	\$61.4	\$77.5	\$87.0
Spending Budget (\$Million) <sup>(2)</sup>	\$16.3	\$15.8	\$17.6	\$16.5	\$16.4	\$14.7	\$23.5	\$28.8	\$45.3	\$55.3	\$64.8	\$80.6
Actual Expenditures (\$Million) <sup>(3)</sup>	\$22.8	\$19.5	\$23.4	\$23.7	\$21.9	\$19.2	\$31.7	\$29.7	\$40.0	\$50.7	\$72.9	\$85.3
Incentive Percentage	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%
Target Incentive <sup>(9)</sup>	\$712,557	\$781,959	\$774,689	\$726,627	\$723,000	\$647,689	\$1,035,943	\$1,267,043	\$1,992,513	\$2,434,131	\$3,240,747	\$4,032,000
Earned Incentive	\$712,557	\$604,876	\$795,648	\$760,623	\$716,075	\$675,282	\$1,085,888	\$1,333,996	\$1,929,273	\$2,469,411	\$2,997,681	\$4,223,321
System Benefits Charge (\$/kWh) <sup>(9)</sup>	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00320	\$0.00320	\$0.00526	\$0.00592	\$0.00876	\$0.00911
Annual Cost to 500 kWh/month Residential Customer w/o tax <sup>(10)</sup>	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$19.20	\$19.20	\$31.56	\$35.52	\$52.56	\$54.66
Annual Cost to 500 kWh/month Residential Customer w/ tax <sup>(11)</sup>	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$20.00	\$20.00	\$32.88	\$37.00	\$54.75	\$56.94

  

<b>Gas<sup>4</sup></b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007<sup>(4)</sup></b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011<sup>(5)</sup></b>	<b>2012</b>	<b>2013<sup>(6)</sup></b>	<b>2014</b>
Energy Efficiency Budget (\$Million) <sup>(1)</sup>	-	-	-	-	-	\$7.3	\$7.6	\$4.8	\$7.3	\$13.7	\$19.5	\$23.5
Spending Budget (\$Million) <sup>(2)</sup>	-	-	-	-	-	\$6.6	\$6.1	\$4.5	\$6.2	\$12.9	\$17.9	\$21.8
Actual Expenditures (\$Million) <sup>(3)</sup>	-	-	-	-	-	\$7.4	\$6.3	\$5.5	\$4.9	\$13.3	\$19.6	\$21.5
Incentive Percentage	-	-	-	-	-	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%
Target Incentive	-	-	-	-	-	\$288,734	\$266,980	\$199,743	\$274,460	\$570,382	\$898,285	\$1,089,700
Earned Incentive	-	-	-	-	-	\$288,734	\$262,121	\$231,310	\$239,863	\$586,036	\$968,229	\$1,362,108
System Benefits Charge (\$/therm) - all non-exempt customers <sup>(12)</sup>	-	-	-	-	\$0.0071	\$0.0107	\$0.0150	\$0.0150	\$0.0411	\$0.0384	\$0.0417	-
Residential System Benefits Chare (\$/therm)	-	-	-	-	-	-	-	-	-	-	-	\$0.0600
C&I System Benefits Charge (\$/therm)	-	-	-	-	-	-	-	-	-	-	-	\$0.0492
Annual Cost to 846 Therm/year Residential Customer w/o tax <sup>(10)</sup>	-	-	-	-	\$6.04	\$9.05	\$12.69	\$12.69	\$18.28	\$32.49	\$35.28	\$50.76
Annual Cost to 846 Therm/year Residential Customer w/tax <sup>(11)</sup>	-	-	-	-	\$6.23	\$9.33	\$13.08	\$13.08	\$18.85	\$33.49	\$36.37	\$52.33

**Notes:**

- (1) Energy Efficiency Budget includes total expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.
- (2) Spending Budget includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays, and Outside Finance Costs. For 2017, Outside Finance Costs are included.
- (3) Actual Expenditures is actual spend during calendar year. Includes expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.
- (4) Gas programs began during July 2007 and were not reported on separately that year since programs were still in development. The 2007 gas programs are included in 2008 reporting. Systems Benefit Charge shown for 2007 is the weighted average of \$0.063 per decatherm from January 1, 2007 - June 30, 2007 and \$0.107 per decatherm from July 1, 2007 through December 31, 2008.
- (5) On July 25, 2011 the Commission ordered that National Grid could increase the gas System Benefits Charge from \$0.15 to \$0.411 per decatherm for the period of August 1, 2011 through December 31, 2011. Annual cost represents 7 months usage (632 therms) at \$0.015 per therm and 5 months usage (214 therms) at \$0.0411 per therm.
- (6) In the Company's gas and electric rate cases in docket 4323, the PUC approved the uncollectibles gross-up in the electric EE Program Charge effective February 1, 2013, and a new rate applicable to the gross-up of the gas EE Program Charge, effective February 1, 2013.
- (7) 2016 values are planned.

PUC 1-3

Request:

Were there any programs/measures that were offered in 2016 that are not being offered in 2017?  
If yes, please identify and explain.

Response:

The Company will not offer the following 2016 programs in 2017:

ENERGY STAR® Lighting - In 2017, this program will no longer support compact fluorescent lamps (CFLs), which encompasses eight different measures. The next generation of lighting products, light emitting diode (LED), has decreased in price significantly while providing a superior consumer lighting experience. Based on the lower costs of LEDs and the fact that the majority of CFLs will no longer meet ENERGY STAR efficacy standards (a measurement of lumens/watt) with the new ENERGY STAR lamps specification version 2.0 that begins on January 2, 2017, the program will no longer be supporting this technology.

Residential Consumer Products - Most Efficient Refrigerator incentives will no longer be supported in 2017. Most efficient refrigerators were removed from the 2017 program because they were no longer considered cost effective.

EnergyWise - The EnergyWise program will discontinue installations of CFL lighting products as per the reasons provided above in the ENERGY STAR Lighting program.

Home Energy Reports - The Summer Coach component of the 2016 Home Energy Reports program will be replaced in 2017 with Non-Advanced Metering Infrastructure (AMI) High Bill Alerts because there is evidence of savings potential and a preference for email communications over telephone-based notifications.

EnergyWise Multifamily and Income Eligible Multifamily - Both Market Rate and Income Eligible Multifamily programs will discontinue installations of CFL Lighting measures for the same reasons provided above in the ENERGY STAR Lighting program.

Residential New Construction will discontinue installations of CFL Lighting measures for the same reasons provided above regarding the ENERGY STAR Lighting program.

PUC 1-3, page 2

Income Eligible Services (single family of 1 – 4 units) will discontinue installations of CFL Lighting measures for the same reasons provided above regarding the ENERGY STAR Lighting program.

The C&I programs, with the exception of Small Business, will no longer incentivize any fluorescent lamps or luminaires. Fluorescent lamps and luminaries will remain in the Small Business program where a mix of LEDs and fluorescent technologies will be used. Projects that only utilize LED technology are not yet cost effective in all cases, especially in lower run hour situations that may be encountered in the small business environment.

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PUC 1-4

Request:

Please update Tables E-9 and G-9 (Incentive calculations) to include a column for maximum possible incentives.

Response:

Please see Attachment PUC 1-4 for updated E-9 and G-9 tables with a column for maximum possible incentives.

**Table E-9  
National Grid  
2017 Targeted Shareholder Incentive**

Energy Incentive Rate: 3.50%

	(1)	(2)	(3)	(4)	(5)	(6)
Sector	Spending Budget \$(000)	Target Incentive \$(000)	Annual kWh Savings Goal	Threshold kWh Savings	Target Incentive Per kWh	Max Incentive \$(000)
Income Eligible Residential	\$11,977	\$419	7,076,222	5,307,166	\$0.059	\$524
Non-Income Eligible Residential	\$31,798	\$1,113	90,253,592	67,690,194	\$0.012	\$1,391
Commercial & Industrial	\$44,736	\$1,566	104,016,753	78,012,564	\$0.015	\$1,957
Total	\$88,511	\$3,098	201,346,566	151,009,925	\$0.015	\$3,872

Demand Incentive Rate: 1.50%

	(7)	(8)	(9)	(10)	(11)	(12)
Sector	Spending Budget \$(000)	Target Incentive \$(000)	Annual kW Savings Goal	Threshold kW Savings	Target Incentive Per kW	Max Incentive \$(000)
Income Eligible Residential	\$11,977	\$180	797	597	\$225.527	\$225
Non-Income Eligible Residential	\$31,798	\$477	10,337	7,753	\$46.141	\$596
Commercial & Industrial	\$44,736	\$671	17,409	13,057	\$38.545	\$839
Total	\$88,511	\$1,328	28,543	21,407	\$46.514	\$1,660

**Notes:**

(1) and (7) Eligible Spending Budget excludes Regulatory Costs, and Shareholder Incentive. See Table E-3 for details.

(2) Equal to the incentive rate (3.5%) x Column (1).

(3) and (9) See Table E-7

(4) and (10) 75% of Column (3). No incentive is earned on annual kWh savings in the sector unless the Company achieves at least this threshold level of performance.

(5) Column (2)\*1000/Column (3). This illustration is for achieved savings equal to the savings target. The incentive earned per kWh will vary with the percent of the savings target achieved

(6) Equal to 125% of Column (2).

(8) Equal to the incentive rate (1.5%) x Column (7).

(11) Column (8)\*1000/Column (9). This illustration is for achieved savings equal to the savings target. The incentive earned per kW will vary with the percent of the savings target achieved

(12) Equal to 125% of Column (8).

The shareholder incentive for Energy and Demand incentives will be calculated as follows, where SB is the Spending Budget in the sector:

- From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)
- x 0.7 for electric energy savings
- x 0.3 for electric demand savings
- x 1.0 for natural gas savings
- From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)

**Table G-9  
National Grid  
2017 Targeted Shareholder Incentive**

Incentive Rate: 5.00%

	(1)	(2)	(3)	(4)	(5)	(6)
Sector	Eligible Spending Budget \$(000)	Target Incentive \$(000)	Target Savings Goal (MMBTU)	Threshold Savings (MMBTU)	Target Incentive Per Annual MMBTU	Max Incentive \$(000)
Income Eligible Residential	\$5,857	\$292.9	26,842	20,131	\$10.911	\$366
Non-Income Eligible Residential	\$12,296	\$614.8	138,237	103,678	\$4.447	\$768
Commercial & Industrial	\$9,598	\$479.9	249,527	187,145	\$1.923	\$600
Total	\$27,751	\$1,387.5	414,606	310,955	\$3.347	\$1,734

**Notes:**

- (1) Eligible Spending Budget excludes EERMC, OER, and Shareholder Incentive. See Table G-3 for details.
- (2) Equal to the incentive rate (5.0%) x Column (1).
- (3) See Table G-7
- (4) 75% of Column (3). No incentive is earned on annual MMBTU savings in the sector unless the Company achieves at least this threshold level of performance.
- (5) Column (2)\*1000/Column (3). This illustration is for achieved savings equal to the savings target. The incentive earned per MMBtu will vary with the percent of the savings target achieved
- (6) Equal to 125% of Column (2).

The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:

- From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)
- From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)

PUC 1-5

Request:

Please calculate the Company's performance incentive for each of the 2011 through 2016 Plans based on the modified metric proposed for the 2017 Plan. Is this amount more or less than the performance incentive that the Company received for each plan year?

Response:

Please see Attachment PUC 1-5 for revised performance incentives based on the modified metric proposed for the 2017 Plan. Attachment PUC 1-5 includes revised Tables E-4 and G-4 for the 2011 through 2015 Annual Reports and the 2016 Annual Plan.

Cells highlighted in yellow are different from the original filings.

Total Earned Incentive cells highlighted in yellow are more than the performance incentive the Company received in that plan year for 2011 through 2015.

For the 2016 Annual Plan, the Company does not yet know what it will receive for an incentive. For 2016, the Target Incentive is more than what was filed.

**NATIONAL GRID ELECTRIC ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table E-4: National Grid 2011 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 4.40%

	(1)	(2)	(3)	(3a)	(3b)	(3c)	(4)
Sector	Approved Spending Budget	Target Incentive	Annual kWh Savings Goal	Actual Spending	% of Approved Spending	Budget adjusted target kWh savings	Threshold kWh Savings
Low Income Residential	\$5,725,360	\$251,916	3,091,064	\$ 2,738,910	47.8%	3,091,064	1,854,639
Non-Low Income Residential	\$14,258,907	\$627,392	30,955,977	\$ 11,801,767	82.8%	25,621,545	15,372,927
Commerical & Industrial	\$26,245,109	\$1,154,785	68,580,392	\$ 19,377,002	73.8%	68,580,392	41,148,235
<b>Total</b>	<b>\$46,229,376</b>	<b>\$2,034,093</b>	<b>102,627,433</b>	<b>\$ 33,917,679</b>		<b>97,293,001</b>	<b>58,375,801</b>

	(5)	(5a)	(6)	(7)	(8)	(9)	(10)
Sector	Target Incentive Per kWh	Adj Target Incentive Per kWh	Actual kWh	% of Target Savings	Savings Eligible for Incentive	Total Earned Incentive	% of Target Incentive Achieved
Low Income Residential	\$0.081	\$0.081	2,243,015	73%	2,243,015	\$ 182,801	73%
Non-Low Income Residential	\$0.020	\$0.024	34,486,290	135%	32,026,931	\$ 784,240	125%
Commerical & Industrial	\$0.017	\$0.017	59,279,476	86%	59,279,476	\$ 998,172	86%
<b>Total</b>			<b>96,008,782</b>		<b>93,549,422</b>	<b>\$ 1,965,213</b>	<b>97%</b>

**Notes**

(1) Budget from 2011 EEP. Includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays.

(2) Equal to the incentive rate (4.40%) x Column (1)

(3) Approved savings goal from 2011 EEP

(3a) Actual spending includes actual Implementation Expenses from Table E-1 and Evaluation Expenses from Table E-3. It excludes EERMC costs.

(3b) Column (3a)/ Column (1)

(3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)

(4) 60% of Target kWh Savings

(5) Column (2)/ Column (3)

(5a) Column (2)/ Column (3c)

(6) Year End Savings from Table E-1

(7) Column (6)/ Column (3c)

(8) If Column (7) is less than 60%, Column (8) = 0,

If Column (7) is between 60% and 125%, Column (8) = Column 6;

If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.

(9) Column (8)\*Column (5a)

(10) Column (9) / Column (2)

**NATIONAL GRID NATURAL GAS ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**

**Table G-4: National Grid 2011 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 4.40%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual Savings Goal (MMBTU)	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget Adjusted target MMBtu Savings	(4) Threshold MMBtu Savings
Low Income Residential	\$ 983,905	\$ 43,292	3,848	\$ 526,325	53.5%	3,848	2,309
Non-Low Income Residential	\$ 2,770,189	\$ 121,888	42,577	\$ 2,099,136	75.8%	42,577	25,546
Commercial & Industrial	\$ 2,483,635	\$ 109,280	55,779	\$ 1,892,608	76.2%	42,505	25,503
<b>Total</b>	<b>\$ 6,237,728</b>	<b>\$ 274,460</b>	<b>102,203</b>	<b>\$ 4,518,069</b>	<b>72.4%</b>	<b>88,930</b>	<b>53,358</b>

Sector	(5) Target Incentive Per MMBtu	(5a) Adj Target Incentive Per MMBtu	(6) Actual MMBtu	(7) % of Target Savings	(8) Savings Eligible for Incentive	(9) Earned Savings Incentive	(10) % of Target Incentive Achieved
Low Income Residential	\$ 11.25	\$11.25	2,572	66.8%	2,572	\$28,928	67%
Non-Low Income Residential	\$ 2.86	\$2.86	25,966	61.0%	25,966	\$74,335	61%
Large Commercial & Industrial	\$ 1.96	\$2.57	91,075	214.3%	53,131	\$136,600	125%
<b>Total</b>	<b>\$ 2.69</b>	<b>\$3.09</b>	<b>119,613</b>	<b>134.5%</b>	<b>81,669</b>	<b>\$239,863</b>	<b>87%</b>

**Notes:**

- (1) Budget from 2011 EEPP. Includes Implementation and Evaluation Expenses.
- (2) Equal to the incentive rate (4.40%) x Column (1).
- (3) Approved savings goal from 2011 EEPP
- (3a) Actual spending includes actual Implementation Expenses Table G-1, and Evaluation Expenses from Table G-3
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 60% of Target MMBtu Savings
- (5) Column (2)/ Column (3)
- (5a) Column (2)/ Column (3c)
- (6) Year End Savings from Table G-1
- (7) Column (6)/ Column (3c)
- (8) If Column (7) is less than 60%, Column (8) = 0,  
If Column (7) is between 60% and 125%, Column (8) = Column 6;  
If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.
- (9) Column (8)\*Column (5a)
- (10) Column (9) / Column (2)

**NATIONAL GRID ELECTRIC ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table E-4: National Grid 2012 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 4.40%

	(1)	(2)	(3)	(3a)	(3b)	(3c)	(4)
Sector	Approved Spending Budget	Target Incentive	Annual kWh Savings Goal	Actual Spending	% of Approved Spending	Budget adjusted target kWh savings	Threshold kWh Savings
Low Income Residential	\$5,615,389	\$247,077	3,960,083	\$ 3,552,220	63.3%	3,960,083	2,376,050
Non -Low Income Residential	\$19,837,721	\$872,860	36,352,102	\$ 16,209,690	81.7%	29,703,831	17,822,298
Commerical & Industrial	\$30,868,045	\$1,358,194	88,257,940	\$ 27,006,236	87.5%	88,257,940	52,954,764
<b>Total</b>	<b>\$56,321,155</b>	<b>\$2,478,131</b>	<b>128,570,125</b>	<b>\$ 46,768,146</b>		<b>121,921,854</b>	<b>73,153,112</b>

	(5)	(5a)	(6)	(7)	(8)	(9)	(10)
Sector	Target Incentive Per kWh	Adj Target Incentive Per kWh	Actual kWh	% of Target Savings	Savings Eligible for Incentive	Total Earned Incentive	% of Target Incentive Achieved
Low Income Residential	\$0.062	\$0.062	3,403,528	86%	3,403,528	\$ 212,353	86%
Non-Low Income Residential	\$0.024	\$0.029	37,958,128	128%	37,129,788	\$ 1,091,075	125%
Commerical & Industrial	\$0.015	\$0.015	78,304,501	89%	78,304,501	\$ 1,205,021	89%
<b>Total</b>			<b>119,666,157</b>		<b>118,837,817</b>	<b>\$ 2,508,449</b>	<b>101%</b>

**Notes**

(1) Budget from 2012 EPPP. Includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays.

(2) Equal to the incentive rate (4.40%) x Column (1)

(3) Approved savings goal from 2011 EPPP

(3a) Actual spending includes actual Implementation Expenses from Table E-1 and Evaluation Expenses from Table E-3. It excludes EERMC costs.

(3b) Column (3a)/ Column (1)

(3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)

(4) 60% of Target kWh Savings

(5) Column (2)/ Column (3)

(5a) Column (2)/ Column (3c)

(6) Year End Savings from Table E-1

(7) Column (6)/ Column (3c)

(8) If Column (7) is less than 60%, Column (8) = 0,

If Column (7) is between 60% and 125%, Column (8) = Column 6;

If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.

(9) Column (8)\*Column (5a)

(10) Column (9) / Column (2)

**NATIONAL GRID NATURAL GAS ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table G-4: National Grid 2012 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 4.40%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual Savings Goal (MMBTU)	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget Adjusted target MMBtu Savings	(4) Threshold MMBTu Savings
Low Income Residential	\$ 1,465,827	\$ 77,696	7,697	\$ 1,094,906	74.7%	7,697	4,618
Non-Low Income Residential	\$ 5,983,762	\$ 263,286	103,540	\$ 6,746,333	112.7%	103,540	62,124
Commercial & Industrial	\$ 5,513,505	\$ 229,400	120,312	\$ 4,713,352	85.5%	102,851	61,711
<b>Total</b>	<b>\$ 12,963,094</b>	<b>\$ 570,382</b>	<b>231,548</b>	<b>\$ 12,554,591</b>	<b>96.8%</b>	<b>214,088</b>	<b>128,453</b>

Sector	(5) Target Incentive Per MMBtu	(5a) Adj Target Incentive Per MMBTu	(6) Actual MMBTu	(7) % of Target Savings	(8) Savings Eligible for Incentive	(9) Earned Savings Incentive	(10) % of Target Incentive Achieved
Low Income Residential	\$ 10.09	\$10.09	5,516	71.7%	5,516	\$55,680	72%
Non-Low Income Eligible Residential	\$ 2.54	\$2.54	96,290	93.0%	96,290	\$244,851	93%
Commercial & Industrial	\$ 1.91	\$2.23	128,006	124.5%	128,006	\$285,505	124%
<b>Total</b>	<b>\$ 2.46</b>	<b>\$2.66</b>	<b>229,811</b>	<b>107.3%</b>	<b>229,811</b>	<b>\$586,036</b>	<b>103%</b>

**Notes:**

- (1) Budget from 2012 EEPP. Includes Implementation and Evaluation Expenses.
- (2) Equal to the incentive rate (4.40%) x Column (1).
- (3) Approved savings goal from 2012 EEPP
- (3a) Actual spending includes actual Implementation Expenses Table G-1, and Evaluation Expenses from Table G-3
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 60% of Target MMBtu Savings
- (5) Column (2)/ Column (3)
- (5a) Column (2)/ Column (3c)
- (6) Year End Savings from Table G-1
- (7) Column (6)/ Column (3c)
- (8) If Column (7) is less than 60%, Column (8) = 0,  
If Column (7) is between 60% and 125%, Column (8) = Column 6;  
If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.
- (9) Column (8)\*Column (5a)
- (10) Column (9) / Column (2)

## NATIONAL GRID ELECTRIC ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND

**Table E-4: National Grid 2013 EE Incentive Calculation  
Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 5.00%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual kWh Savings Goal	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget adjusted target kWh savings	(4) Threshold kWh Savings
Low Income Residential	\$8,029,015	\$401,451	6,188,112	\$ 6,796,511	84.6%	5,238,198	3,928,649
Non -Low Income Residential	\$22,423,802	\$1,121,190	55,537,956	\$ 23,872,703	106.5%	55,537,956	41,653,467
Commercial & Industrial	\$35,362,121	\$1,768,106	97,093,494	\$ 32,703,076	92.5%	97,093,494	72,820,120
<b>Total</b>	<b>\$65,814,938</b>	<b>\$3,290,747</b>	<b>158,819,562</b>	<b>\$ 63,372,290</b>		<b>157,869,648</b>	<b>118,402,236</b>

Sector	(5) Actual kWh	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Total Earned Incentive	(9) % of Target Incentive Achieved
Low Income Residential	6,305,343	120.4%	6,305,343	\$ 483,236	120.4%
Non-Low Income Residential	62,482,802	112.5%	62,482,802	\$ 1,261,391	112.5%
Commercial & Industrial	88,333,164	91.0%	88,333,164	\$ 1,289,520	72.9%
<b>Total</b>	<b>157,121,309</b>		<b>157,121,309</b>	<b>\$ 3,034,147</b>	<b>92.2%</b>

### Notes

- (1) Budget from 2013 EEP. Includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays. The Approved Spending Budget does not reflect the budget transfer included in Table 1, Footnote 10, per the 2013 EEP Section IV.C.4.
- (2) Equal to the incentive rate (5.0%) x Column (1)
- (3) Approved savings goal from 2013 EEP
- (3a) Actual spending includes actual Implementation Expenses from Table E-1 and Evaluation Expenses from Table E-3. It excludes EERMC costs. Includes \$4.3 million dollars in 2012 carryover funds that was treated as an overspend and used to fund the Commercial and Industrial ("C&I") Revolving Loan Fund as stated in the Company's letter to the Commission dated August 8, 2013 "Docket 4366 – 2013 Energy Efficiency Program Plan Budget Management"
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target kWh Savings
- (5) Year End Savings from Table E-1
- (6) Column (6)/ Column (3c)
- (7) If Column (6) is less than 75%, Column (7) = 0,  
If Column (6) is between 75% and 125%, Column (7) = Column 6;  
If Column (6) is greater than 125%, Column (7) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder is calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

## NATIONAL GRID NATURAL GAS ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND

**Table G-4: National Grid 2013 EE Incentive Calculation**  
Revised for Docket No. 4654 PUC 1-5 November 2016

Incentive Rate: 5.00%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual Savings Goal (MMBTU)	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget Adjusted target MMBtu Savings	(4) Threshold MMBTu Savings
Low Income Residential	\$ 4,078,728	\$ 203,936	22,812	\$ 3,514,645	86.2%	19,657	14,743
Non-Low Income Residential	\$ 7,474,199	\$ 373,710	94,161	\$ 8,831,758	118.2%	94,161	70,621
Commercial & Industrial	\$ 6,712,776	\$ 335,639	170,802	\$ 5,879,265	87.6%	170,802	128,101
<b>Total</b>	<b>\$ 18,265,703</b>	<b>\$ 913,285</b>	<b>287,775</b>	<b>\$ 18,225,668</b>	<b>99.8%</b>	<b>284,620</b>	<b>213,465</b>

Sector	(5) Actual MMBtu	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Earned Savings Incentive	(9) % of Target Incentive Achieved
Low Income Residential	23,655	120.3%	23,655	\$245,420	120.3%
Non-Low Income Eligible Residential	129,512	137.5%	117,702	\$467,137	125.0%
Commercial & Industrial	159,266	93.2%	159,266	\$267,633	79.7%
<b>Total</b>	<b>312,433</b>	<b>109.8%</b>	<b>300,623</b>	<b>\$980,190</b>	<b>107.3%</b>

G4

**Notes:**

- (1) Budget from 2013 EEP. Includes Implementation and Evaluation Expenses. Excludes EERMC, OER, and Shareholder Incentive.
- (2) Equal to the incentive rate (5.0%) x Column (1).
- (3) Approved savings goal from 2013 EEP
- (3a) Actual spending includes actual Implementation Expenses Table G-1, and Evaluation Expenses from Table G-3.
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target MMBtu Savings
- (5) Year End Savings from Table G-1
- (6) Column (5)/ Column (3c)
- (7) If Column (6) is less than 75%, Column (8) = 0,  
If Column (6) is between 75% and 125%, Column (7) = Column 5;  
If Column (6) is greater than 125%, Column (7) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

**NATIONAL GRID ELECTRIC ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table E-4: National Grid 2014 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 5.00%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual kWh Savings Goal	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget adjusted target kWh savings	(4) Threshold kWh Savings
Income Eligible Residential	\$9,388,969	\$469,448	6,079,828	\$ 9,669,135	103.0%	6,079,828	4,559,871
Non-Income Eligible Residential	\$24,356,843	\$1,217,842	76,316,827	\$ 25,136,807	103.2%	76,316,827	57,237,620
Commercial & Industrial	\$47,890,155	\$2,394,508	172,917,343	\$ 45,060,382	94.1%	172,917,343	129,688,007
<b>Total</b>	<b>\$81,635,967</b>	<b>\$4,081,798</b>	<b>255,313,998</b>	<b>\$ 79,866,324</b>		<b>255,313,998</b>	<b>191,485,499</b>

Sector	(5) Actual kWh	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Total Earned Incentive	(9) % of Target Incentive Achieved
Income Eligible Residential	8,186,376	134.6%	7,599,785	\$ 586,811	125.0%
Non-Income Eligible Residential	91,496,527	119.9%	91,496,527	\$ 1,460,075	119.9%
Commercial & Industrial	168,785,323	97.6%	168,785,323	\$ 2,222,851	92.8%
<b>Total</b>	<b>268,468,226</b>		<b>267,881,635</b>	<b>\$ 4,269,737</b>	<b>104.6%</b>

**Notes**

- (1) Budget from 2014 EEPP. Includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays.
- (2) Equal to the incentive rate (5.0%) x Column (1)
- (3) Approved savings goal from 2014 EEPP
- (3a) Actual spending includes actual Implementation Expenses from Table E-1 and Evaluation Expenses from Table E-3. It excludes EERMC costs.
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target kWh Savings
- (5) Year End Savings from Table E-1
- (6) Column (6)/ Column (3c)
- (7) If Column (7) is less than 75%, Column (8) = 0,  
If Column (7) is between 75% and 125%, Column (8) = Column 6;  
If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder is calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

**NATIONAL GRID NATURAL GAS ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table G-4: National Grid 2014 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 5.00%

	(1)	(2)	(3)	(3a)	(3b)	(3c)	(4)
Sector	Approved Spending Budget	Target Incentive	Annual Savings Goal (MMBTU)	Actual Spending	% of Approved Spending	Budget Adjusted target MMBtu Savings	Threshold MMBtu Savings
Income Eligible Residential	\$ 4,579,718	\$ 228,986	23,219	\$ 4,278,262	93.4%	21,691	16,268
Non-Income Eligible Residential	\$ 9,633,725	\$ 481,686	137,281	\$ 9,868,492	102.4%	137,281	102,961
Commercial & Industrial	\$ 7,780,285	\$ 389,014	169,463	\$ 5,669,614	72.9%	123,490	92,618
<b>Total</b>	<b>\$ 21,993,728</b>	<b>\$ 1,099,686</b>	<b>329,963</b>	<b>\$ 19,816,368</b>	<b>90.1%</b>	<b>282,462</b>	<b>211,846</b>

	(5)	(6)	(7)	(8)	(9)
Sector	Actual MMBtu	% of Target Savings	Savings Eligible for Incentive	Earned Savings Incentive	% of Target Incentive Achieved
Income Eligible Residential	29,571	136.3%	27,113	\$286,232	125.0%
Non-Income Eligible Residential	183,774	133.9%	171,601	\$602,108	125.0%
Commercial & Industrial	195,684	158.5%	154,363	\$486,268	125.0%
<b>Total</b>	<b>409,029</b>	<b>144.8%</b>	<b>353,077</b>	<b>\$1,374,608</b>	<b>125.0%</b>

**Notes:**

- (1) Budget from 2014 EEPP. Includes Implementation and Evaluation Expenses. Excludes EERMC, OER, and Shareholder Incentive.
- (2) Equal to the incentive rate (5.0%) x Column (1).
- (3) Approved savings goal from 2014 EEPP
- (3a) Actual spending includes actual Implementation Expenses Table G-1, and Evaluation Expenses from Table G-3.
- (3b) Column (3a)/ Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target MMBtu Savings
- (5) Year End Savings from Table G-1
- (6) Column (5)/ Column (3c)
- (7) If Column (6) is less than 75%, Column (8) = 0,  
If Column (6) is between 75% and 125%, Column (7) = Column 5;  
If Column (6) is greater than 125%, Column (7) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

**NATIONAL GRID ELECTRIC ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**

**Table E-4: National Grid 2015 EE Incentive Calculation**

Revised for Docket No. 4654 PUC 1-5 November 2016

Energy Incentive Rate: 3.50%							
Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual kWh Savings Goal	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget adjusted target kWh savings	(4) Threshold kWh Savings
Income Eligible Residential	\$10,120,298	\$354,210	6,587,214	\$ 9,388,189	92.8%	6,110,690	4,583,018
Non-Income Eligible Residential	\$29,480,742	\$1,031,826	85,733,018	\$ 27,821,789	94.4%	80,908,613	60,681,460
Commercial & Industrial	\$41,745,993	\$1,461,110	101,281,773	\$ 44,229,872	105.9%	101,281,773	75,961,330
<b>Total</b>	<b>\$81,347,033</b>	<b>\$2,847,146</b>	<b>193,602,004</b>	<b>\$ 81,439,850</b>		<b>188,301,076</b>	<b>141,225,807</b>

Sector	(5) Actual kWh	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Total Earned Incentive	(9) % of Target Incentive Achieved
Income Eligible Residential	7,259,627	118.8%	7,259,627	\$ 420,809	118.8%
Non-Income Eligible Residential	102,559,971	126.8%	101,135,766	\$ 1,289,782	125.0%
Commercial & Industrial	113,002,446	111.6%	113,002,446	\$ 1,630,194	111.6%
<b>Total</b>	<b>222,822,045</b>		<b>221,397,840</b>	<b>\$ 3,340,786</b>	<b>117.3%</b>

Demand Incentive Rate: 1.50%							
Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual kW Savings Goal	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget adjusted target kW savings	(4) Threshold kW Savings
Low Income Residential	\$10,120,298	\$151,804	599	\$ 9,388,189	92.8%	556	417
Non-Low Income Residential	\$29,480,742	\$442,211	11,865	\$ 27,821,789	94.4%	11,197	8,398
Commercial & Industrial	\$41,745,993	\$626,190	17,252	\$ 44,229,872	105.9%	17,252	12,939
<b>Total</b>	<b>\$81,347,033</b>	<b>\$1,220,205</b>	<b>29,715</b>	<b>\$ 81,439,850</b>		<b>29,004</b>	<b>21,753</b>

Sector	(5) Actual kW	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Total Earned Incentive	(9) % of Target Incentive Achieved
Low Income Residential	816	146.8%	694	\$ 189,756	125.0%
Non-Low Income Residential	14,047	125.5%	13,996	\$ 552,764	125.0%
Commercial & Industrial	18,472	107.1%	18,472	\$ 670,501	107.1%
<b>Total</b>	<b>33,335</b>	<b>114.9%</b>	<b>33,163</b>	<b>\$ 1,413,021</b>	<b>115.8%</b>

**Notes**

- (1) Budget from 2015 EEPP. Includes Implementation and Evaluation Expenses; excludes EERMC Costs, Commitments and Copays.
- (2) Equal to the incentive rate (3.5% for Energy, 1.5% for Demand) x Column (1)
- (3) Approved savings goal from 2015 EEPP
- (3a) Actual spending includes actual Implementation Expenses from Table E-1 (including evaluation expenses). It excludes EERMC costs.
- (3b) Column (3a) / Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target kWh Savings
- (5) Year End Savings from Table E-1
- (6) Column (6) / Column (3c)
- (7) If Column (7) is less than 75%, Column (8) = 0.  
If Column (7) is between 75% and 125%, Column (8) = Column 6;  
If Column (7) is greater than 125%, Column (8) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder is calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved - 0.10)  
x 0.7 for energy savings  
x 0.3 of demand savings  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

**NATIONAL GRID NATURAL GAS ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND**  
**Table G-4: National Grid 2015 EE Incentive Calculation**  
**Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 5.00%

Sector	(1) Approved Spending Budget	(2) Target Incentive	(3) Annual Savings Goal (MMBTU)	(3a) Actual Spending	(3b) % of Approved Spending	(3c) Budget Adjusted target MMBtu Savings	(4) Threshold MMBtu Savings
Income Eligible Residential	\$ 5,025,067	\$ 251,253	27,878	\$ 4,439,359	88.3%	24,629	18,472
Non-Income Eligible Residential	\$ 10,448,576	\$ 522,429	168,687	\$ 9,174,494	87.8%	148,118	111,088
Commercial & Industrial	\$ 7,423,131	\$ 371,157	180,397	\$ 6,530,305	88.0%	158,700	119,025
<b>Total</b>	<b>\$ 22,896,774</b>	<b>\$ 1,144,839</b>	<b>376,963</b>	<b>\$ 20,144,158</b>	<b>88.0%</b>	<b>331,447</b>	<b>248,585</b>

Sector	(5) Actual MMBtu	(6) % of Target Savings	(7) Savings Eligible for Incentive	(8) Earned Savings Incentive	(9) % of Target Incentive Achieved
Income Eligible Residential	32,051	130.1%	30,786	\$314,067	125.0%
Non-Income Eligible Residential	197,086	133.1%	185,147	\$653,036	125.0%
Commercial & Industrial	190,642	120.1%	190,642	\$445,861	120.1%
<b>Total</b>	<b>419,778</b>	<b>126.7%</b>	<b>406,576</b>	<b>\$1,412,964</b>	<b>123.4%</b>

**Notes:**

- (1) Budget from 2015 EEPP. Includes Implementation Expenses. Excludes EERMC, OER, and Shareholder Incentive.
- (2) Equal to the incentive rate (5.0%) x Column (1).
- (3) Approved savings goal from 2015 EEPP
- (3a) Actual spending includes actual Implementation Expenses Table G-1.
- (3b) Column (3a) / Column (1)
- (3c) Column (3) \* (3b), only if 100% of Target Savings were achieved in Column (3)
- (4) 75% of Target MMBtu Savings
- (5) Year End Savings from Table G-1
- (6) Column (5) / Column (3c)
- (7) If Column (6) is less than 75%, Column (8) = 0;  
If Column (6) is between 75% and 125%, Column (7) = Column 5;  
If Column (6) is greater than 125%, Column (7) = 125% of Column (3c) due to the incentive cap.
- (8) The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:  
From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved - 0.10)  
From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)
- (9) Column (9) / Column (2)

**Table E-9  
National Grid  
2016 Targeted Shareholder Incentive  
Revised for Docket No. 4654 PUC 1-5 November 2016**

Energy Incentive Rate: 3.50%

	(1)	(2)	(3)	(4)	(5)
Sector	Spending Budget \$(000)	Target Incentive \$(000)	Annual kWh Savings Goal	Threshold kWh Savings	Target Incentive Per kWh
Income Eligible Residential	\$11,187	\$392	6,891,430	5,168,572	\$0.057
Non-Income Eligible Residential	\$27,873	\$976	97,946,654	73,459,991	\$0.010
Commercial & Industrial	\$42,943	\$1,503	94,922,361	71,191,771	\$0.016
Total	\$82,003	\$2,870	199,760,445	149,820,333	\$0.014

Demand Incentive Rate: 1.50%

	(6)	(7)	(8)	(9)	(10)
Sector	Spending Budget \$(000)	Target Incentive \$(000)	Annual kW Savings Goal	Threshold kW Savings	Target Incentive Per kW
Income Eligible Residential	\$11,187	\$168	920	690	\$182.409
Non-Income Eligible Residential	\$27,873	\$418	10,673	8,004	\$39.175
Commercial & Industrial	\$42,943	\$644	17,953	13,465	\$35.879
Total	\$82,003	\$1,230	29,545	22,159	\$41.632

**Notes:**

(1) and (6) Eligible Spending Budget excludes Regulatory Costs, and Shareholder Incentive. See Table E-3 for details.

(2) Equal to the incentive rate (3.5%) x Column (1).

(3) and (8) See Table E-7

(4) and (9) 75% of Column (3). No incentive is earned on annual kWh savings in the sector unless the Company achieves at least this threshold level of performance.

(5) Column (2)\*1000/Column (3). This illustration is for achieved savings equal to the savings target. The incentive earned per kWh will vary with the percent of the savings target achieved

(7) Equal to the incentive rate (1.5%) x Column (1).

(10) Column (7)\*1000/Column (8). This illustration is for achieved savings equal to the savings target. The incentive earned per kW will vary with the percent of the savings target achieved

The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:

- From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)
- x 0.7 for electric energy savings
- x 0.3 for electric demand savings
- x 1.0 for natural gas savings
- From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)

**Table G-9  
National Grid  
2016 Targeted Shareholder Incentive  
Revised for Docket No. 4654 PUC 1-5 November 2016**

Incentive Rate: 5.00%

Sector	(1) Eligible Spending Budget \$(000)	(2) Target Incentive \$(000)	(3) Target Savings Goal (MMBTU)	(4) Threshold Savings (MMBTU)	(5) Target Incentive Per Annual MMBTU
Income Eligible Residential	\$5,349	\$267.4	29,283	21,962	\$9.133
Non-Income Eligible Residential	\$11,978	\$598.9	176,284	132,213	\$3.397
Commercial & Industrial	\$8,636	\$431.8	190,194	142,646	\$2.270
<b>Total</b>	<b>\$25,962</b>	<b>\$1,298.1</b>	<b>395,760</b>	<b>296,820</b>	<b>\$3.280</b>

**Notes:**

- (1) Eligible Spending Budget excludes EERMC, OER, and Shareholder Incentive. See Table G-3 for details.
- (2) Equal to the incentive rate (5.0%) x Column (1).
- (3) See Table G-7
- (4) 75% of Column (3). No incentive is earned on annual MMBTU savings in the sector unless the Company achieves at least this threshold level of performance.
- (5) Column (2)\*1000/Column (3). This illustration is for achieved savings equal to the savings target. The incentive earned per MMBtu will vary with the percent of the savings target achieved

The shareholder incentive will be calculated as follow, where SB is the Spending Budget in the sector:

- From 75% of savings to 100% of savings: Shareholder Incentive = SB x (0.15 x % of savings achieved – 0.10)
- From 100% of savings to 125% of savings: Shareholder Incentive = SB x (0.05 x % of savings achieved)

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d/b/a National Grid  
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PUC 1-6

Request:

For the last 10 years, please identify the percentage of the annual savings goals that the Company achieved. (page 30)

Response:

Please see the table below for the percentage of the annual electric and gas savings goals that the Company achieved between 2006 and 2015.

<b>Year</b>	<b>Electric energy savings goal achieved (%)</b>	<b>Electric demand savings goal achieved (%)</b>	<b>Gas savings goal achieved (%)</b>
2006	111.3%	106.4%	N/A <sup>1</sup>
2007	101.9%	106.1%	N/A <sup>2</sup>
2008	110.9%	112.5%	108.9%
2009	115.0%	142.1%	138.8%
2010	107.1%	77.7%	126.8%
2011	93.6%	71.3%	117.0%
2012	93.1%	83.4%	99.3%
2013	98.9%	114.0%	108.6%
2014	105.2%	77.7%	124.0%
2015	115.1%	112.2%	111.4%

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<sup>1</sup> As detailed in PUC 1-2, gas programs began in July 2007. Therefore, there are no savings to report in 2006. The 2007 gas programs are included in 2008 reporting since the Company did not report on these programs in 2007, when the programs were still in development.

<sup>2</sup> See footnote 1.

PUC 1-7

Request:

Under what statutory authority is the transfer of funds to the RI Infrastructure Bank being made?

Response:

In June 2015, the Rhode Island legislature enacted legislation creating the RI Infrastructure Bank (RIIB). As indicated in the Company's 2016 Energy Efficiency Plan, R.I. Gen. Laws § 39-2-1.2(m) required the Company to remit 2% of the 2014 electric and gas demand side charge collections to the RIIB in accordance with R.I. Gen. Laws § 46-12.2-14.1. In total, the Company remitted \$1,441,475 in electric collections and \$428,972 in gas collections.

The \$5 million in additional funds to RIIB proposed in the 2017 Plan is not mandated by statute. Instead, RIIB made a request to the Company, the Collaborative, and the EERMC for an additional \$5 million in funding to further support its Efficient Buildings Fund and to leverage private capital to increase finance dollars available for energy efficiency. Based on early positive results from round 1 of EBF, the Company, the Collaborative, and the EERMC agreed that it was appropriate to fulfill RIIB's funding request.

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PUC 1-8

Request:

Please provide the calculation of the funding for the RI Infrastructure Bank.

Response:

There is no calculation of the funding for the RI Infrastructure Bank (RIIB). RIIB requested \$5M of energy efficiency funds for 2017 in order to fund the second round of its Efficient Buildings Fund finance program.

PUC 1-9

Request:

Please provide details of the RI Infrastructure Bank projects that will yield approximately 11,000 Annual MWh and 5,000 Annual Dth of savings. (Bates page 93). Will the statutory requirement of least cost procurement law (RIGL 39-1-27.7) apply to the use of these funds? If not, what standards will apply?

Response:

The Company anticipates that the Efficient Buildings Fund (EBF) Round 2 savings will come from three major areas. The first source of savings is electric and gas efficiency projects executed in municipally-owned buildings such as schools, fire and police stations, and administrative offices. The second source of savings will come from the conversion of street lighting from older lighting technologies to LED technologies. In this case, EBF funds may be used, along with Regional Greenhouse Gas Inc. (RGGI) funds and National Grid energy efficiency incentives, to convert street lights to a more efficient technology once the municipality has purchased these assets from National Grid. The third source of savings will come from electric and gas efficiency projects completed at quasi-state agency locations.

National Grid will not know the precise ratio of savings for these three areas until after the Rhode Island Office of Energy Resources (OER) approves the round two applications in May of 2017.

The EBF application process, created and administered by the OER, requires documentation where costs and savings from an engineering firm are presented. According to the rules the OER has created to manage the EBF application process, the OER will not approve the dispersal of funds on a piece of equipment or process that does not save energy either from electricity, natural gas, or a delivered fuel. Any EBF project that participates in the Company's electric and gas efficiency programs are subject to the Benefit/Cost (B/C) test required under R.I. Gen. Laws § 39-1-27.7.

Application documents and reference documents can be found at  
<http://www.energy.ri.gov/RIEBF/>

PUC 1-10

Request:

RI Gen. Laws 46-12.2-4.2 provides that the Office of Energy Resources (OER) establishes the project priority list for the RIIB's Efficient Buildings Fund. Will OER select the projects that are supported by the \$4.9 million allocation? Additionally,

- a. How will RIIB disperse the funds to the municipalities?
- b. What entity will provide oversight of the use of these funds? OER? EERMC? The Company?
- c. Will administrative or other fees or expenses be charged against these funds?

Response:

Yes. The Rhode Island Office of Energy Resources (OER) will select the projects that are supported by the \$5.0 million allocation. (Specifically, \$4.9 million in electric and \$100,000 in gas).

- a. RIIB will hold the leveraged funds in a separate account for each municipality. When the OER and its technical advisor have determined that the project has met the OER's criteria at each stage of a project, the OER will submit a payment requisition to RIIB (based upon invoices submitted to the OER from the borrower for the project). RIIB will then make a disbursement to that municipality.
- b. OER will provide oversight of the use of RIIB's Efficient Building Fund (EBF).
- c. The EBF does not charge fees or expenses against the funds.

PUC 1-11

Request:

Please explain the physical process of transferring the \$4.9 million dollars to the Rhode Island Infrastructure Bank (RIIB). What is the statutory authority for this transfer? Please confirm that the Company seeks to apply the performance incentive to these funds. What is the justification for applying the performance incentive?

Response:

The Company will pay RIIB \$4.9M the same way it would pay one of its vendors. Specifically, the Company will issue a check or an electronic payment. The Company will then report the expense as an incentive payment in its quarterly and annual reports.

There is no statutory authority for this transfer. The funding allocation to RIIB is a programmatic choice made by the Company, the Collaborative, and the EERMC to finance additional energy efficiency projects through the RIIB Efficient Buildings Fund.

The Company confirms that it is seeking to apply the performance incentive to these funds. The program funds allocated to RIIB will serve a similar function to other program implementation expenses included in the Company's spending budget. The program funds allocated to RIIB will lead to energy efficiency projects that would not have otherwise occurred, thereby contributing to the Company's energy savings goals. For these reasons, the Company believes that it is appropriate to include RIIB funding in the 2017 spending budget, and in turn, the performance incentive.

PUC 1-12

Request:

Please calculate the reconciling mechanisms (identified on pages 8-9) pursuant to RIGL 39-1-27.7(c)(5) for residential and non-residential gas customers and for electric customers excluding the \$4.9 million allocation to the RIIB.

Response:

Pursuant to R.I. Gen. Laws § 39-1-27.7(c)(5), the fully reconciling mechanism would be negative \$0.00019 per kWh for electric customers if the \$4.9 million allocation to the RIIB was excluded. The \$4.9 million allocation to RIIB is funded from the electric budget, Therefore, the reconciling mechanisms would not change for gas customers.

PUC 1-13

Request:

Please calculate Bill Impacts identified on page 28, excluding the \$4.9 million allocation to RIIB.

Response:

After excluding the \$4.9 million allocation to RIIB from the electric budget, the electric Energy Efficiency Program charge would decrease, which would lead to increased savings on electricity bills for average program participants and average electric customers (blending participants and non-participants). The participants in the electric programs will realize a bill reduction of 2.05% to 35.49%. The average Rhode Island customer will see reduced bills of 0.19% to 3.49%, for electricity over the lifetime of the installed energy efficiency measures, compared to no investment. The gas bill impacts will not change because the \$4.9 million allocation to RIIB is funded through the electric budget.

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PUC 1-14

Request:

The March 2016-A Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Action Proceeds allocates to the Company \$1,000,000.96 to provide energy efficiency incentives for residential customers with homes heated by delivered fuels (oil, kerosene, and propane) and directs the Company, in collaboration with OER and the EERMC, to consider specific factors including need-based incentives for lower-income customers; enrolling delivered fuel customers with higher electric usage; and, incentives that achieve better parity with comparable natural gas program incentives. Where is this allocation reflected in the 2017 Energy Efficiency Program Plan for 2017, both in terms of source of funding and where it is reflected in the energy efficiency budget?

Response:

The Company received the allocation of the March 2016-A Regional Greenhouse Gas Initiative Action Proceeds "to provide energy efficiency incentives for residential customers with homes heated by delivered fuels" in May 2016 and will be fully spent by year-end 2016, serving Rhode Island deliverable fuel customers. Since there are no remaining funds from this allocation for 2017, there is no mention of these funds in the 2017 Energy Efficiency Program Plan.

PUC 1-15

Request:

Bates page 44 of the filing explains that the company plans to support weatherization services to deliverable fuel customers with SBC funds and “observe what the overall impact is to the customer charge”. What exactly does this mean? What is the expected impact on the customer charge? What amount of SBC funds is going to be directed to this endeavor?

Response:

During the 2014 -2016 program years, the majority of deliverable fuels weatherization has been supported by Regional Greenhouse Gas Initiative (RGGI) auction proceeds. That funding has allowed National Grid to provide weatherization services to deliverable fuel customers during the 2014 – 2016 program years with nominal impact to the customer charge. For the 2017 program year, deliverable fuels weatherization will be supported by \$1.3 million of SBC funding (bates page 45). The \$1.3 million contributes a total of \$0.00018 per kWh to the overall Energy Efficiency Program charge for 2017. While the Company anticipates spending \$1.3 million on deliverable fuel customers in 2017, the demand may be higher or lower than that budgeted amount. If the demand exceeds the budget, the Company will determine whether there are available funds to continue serving this customer base. If the Company spends more than \$1.3 million in 2017, it will calculate the funding spent on deliverable fuels in terms of the Energy Efficiency Program charge to gain a better understanding of the impact that spending on deliverable fuels has on all electric customers. The Company was referring to the true-up of spending on deliverable fuels at year-end when it used the text, “observe what the overall impact is to the customer charge.”

PUC 1-16

Request:

What changes are proposed in 2017 that are being made to better serve non-owner occupied low income premises?

Response:

The Company has proposed the following changes for 2017 in efforts to better serve non-owner occupied low income premises:

- In 2017, Income Eligible Services (IES) (1-4 units) and Multifamily (5+ units) Income Eligible will conduct focus groups to identify more effective ways to serve income eligible customers. Audiences for these focus groups will include property owners (occupant/non-occupant) and renters.
- In 2017, IES will assess the potential to provide heating system replacements for income eligible customers who pay for their own heat in circumstances where the owner does not live on the premises. (Replacement would need owner approval and be for efficiency reasons only).
- In 2017, Home Energy Reports will introduce energy saving tips designed specifically for renters (income eligible and market rate), rather than solely from a homeowner perspective.

PUC 1-17

Request:

How has the SolarWise program been performing to date? Has it met expectations? Please elaborate.

Response:

To date, SolarWise has been introduced to more than 3,000 RI customers through informational material provided through the EnergyWise program during home energy assessments. The full cost of the additional effort and materials to provide this introduction is paid for by the Renewable Energy Growth program. Of these total introductions, approximately 40% of those EnergyWise customers (1,175) received a SolarWise Site Visit that estimates their energy efficiency savings and the associated level of solar incentive they could obtain. The remainder of customers did not qualify for a SolarWise Site Visit as they do not own their home, or do not have sufficient usage history. The customers who did receive SolarWise Site Visits now have the tools available to apply for a Bonus Tier approval or register on the SolarWise Marketplace.

The program has also been launched for Residential New Construction and Small Business Program customers as of September.

Delivery of the energy efficiency information and solar information at the same time helps a customer understand the benefits of "efficiency first". The timing also allows the customer to make informed decisions about the actions that may be necessary to improve the efficiency of their home in order to qualify for the SolarWise bonus incentive.

So far, SolarWise has met the Company's expectations, which include making energy savings available to customers while offering them the opportunity to also take advantage of solar incentives.

PUC 1-18

Request:

Bates pages 57 & 58 explain that no longer will every customer receive the same Home Energy Report. How many different versions of the HER will there be? What criteria will determine which version of the report a customer will receive?

Response:

The Company's new "HER 2.0" format allows for enhanced customization of the report that can provide additional insights to specific customer classes. There is no set number of versions at this time, but the Company considers renter-specific formats and billing rate reports as possible options. The Company will also be determining other customer classes that can benefit from customization (maybe high use customers or summer cooling).

PUC 1-19

Request:

What amount of funding is proposed to be used for the residential battery storage project? (Bates page 64)

Response:

The Company proposes to use \$125,000 for the battery storage project.

PUC 1-20

Request:

Bates page 66 explains that the company will continue its connected device demonstration project in 2017. How is this project different than the Tiverton project being funded through SRP?

Response:

The Connected Device Demonstration (also known as the Connected Solutions) is assessing customer receptivity and the cost benefit opportunities of offering demand response to a larger audience in RI than what is currently offered through SRP. Demand response events that are called for Connected Solutions are based on a set ISO price. SRP may have additional events called in the Tiverton and Little Compton area when the demand on those feeders is unusually high. Additionally, SRP has enhanced service, marketing, and outreach in its plan to reduce demand on the SRP feeders.

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PUC 1-21

Request:

Please provide a list of grocers that took advantage of the EnergySmart Grocer Initiative in 2015. Of the list, please identify those that are Rhode Island based.

Response:

In 2015, the EnergySmart Grocer Initiative served 68 locations. Of those locations served, 14 had headquarters in Rhode Island. The Company defines "Rhode Island based" as having headquarters located in Rhode Island. Please see the chart below for more detailed information.

<b>Account Type</b>	<b>Site City</b>	<b>RI Based</b>
Regional Grocer	North Kingstown	No
Regional Grocer	North Providence	No
Regional Grocer	Newport	No
Regional Grocer	Cumberland	No
Regional Grocer	Smithfield	No
Regional Grocer	Pawtucket	No
Regional Grocer	Cranston	No
Regional Grocer	North Kingstown	No
Regional Grocer	Narragansett	No
Regional Grocer	Coventry	No
Regional Grocer	North Smithfield	No
Regional Grocer	Providence	No
Regional Grocer	Bristol	No

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Regional Grocer	Providence	No
Regional Grocer	Warwick	No
Regional Grocer	Richmond	No
Regional Grocer	Newport	No
Regional Grocer	Cranston	No
National Retail and Food	Coventry	No
Food Production	Narragansett	Yes
Local Grocer	Providence	Yes
Local Grocer	Portsmouth	Yes
Regional Gas and Food	West Warwick	No
Regional Gas and Food	Jamestown	No
Regional Gas and Food	West Warwick	No
Regional Gas and Food	Central Falls	No
Regional Gas and Food	Richmond	No
Regional Gas and Food	Cranston	No
Regional Gas and Food	Johnston	No
Regional Gas and Food	Coventry	No
Regional Gas and Food	Warwick	No
Regional Gas and Food	Warwick	No
Regional Gas and Food	Narragansett	No
Local Grocer	Coventry	Yes

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Local Grocer	Cumberland	Yes
Local Grocer	East Greenwich	Yes
Local Grocer	Warwick	Yes
Local Grocer	Smithfield	Yes
Local Grocer	North Kingstown	Yes
Local Grocer	Smithfield Crossing	Yes
Local Grocer	Warwick	Yes
Local Grocer	Wickford	Yes
Chain Restaurant	Warwick	No
Chain Restaurant	Warwick	No
National Grocer	Johnston	No
National Grocer	Pawtucket	No
Local Grocer	Charlestown	Yes
Pharmacy and Food	Narragansett	No
Pharmacy and Food	Richmond	No
Regional Grocer	Riverside	No
Regional Grocer	Barrington	No
Regional Grocer	Peace Dale	No
Regional Grocer	Warwick	No
Regional Grocer	Middletown	No
Regional Grocer	North Providence	No

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Regional Grocer	Cranston	No
Regional Grocer	East Providence	No
National Retail and Food	Warwick	No
Local Restaurant	Greenwich	Yes
Chain Restaurant	Pawtucket	No
Chain Restaurant	Providence	No
Chain Restaurant	Providence	No
Chain Restaurant	N. Smithfield	No
Chain Restaurant	Providence	No
Chain Restaurant	Pawtucket	No
National Grocer	Cranston	No
National Grocer	Providence	No
National Grocer	Providence	No

**Definitions:**

National Grocer: a grocer who has locations in many states across the country.

Regional Grocer: a grocer who has locations on the east coast or in New England only.

National Retailer and Food: primarily a retailer that also has a grocery section or area.

Local Grocer: a grocer who has locations only in Rhode Island.

Regional Gas and Food: primarily a gas station that also sells food and beverages.

Chain Restaurant: a restaurant that has more than 10 locations across New England or the United States.

Pharmacy and Food: primarily a pharmacy that also sells food and beverages.

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PUC 1-22

Request:

Please provide a list of grocers who are taking advantage of the EnergySmart Grocer Initiative in 2016. Of the list, please identify those that are Rhode Island based.

Response:

As of November 2, 2016, this year, the EnergySmart Grocer is serving or has served 60 locations. Of those locations served, 13 had headquarters in Rhode Island. The Company defines "Rhode Island based" as having headquarters located in Rhode Island. Please see the chart below for more detailed information.

<b>Account Type</b>	<b>Site City</b>	<b>RI Based</b>
National Grocer	Providence	No
National Grocer	Providence	No
Food Production	Westerly	Yes
Chain Restaurant	Cranston	No
Chain Restaurant	Cranston	No
Chain Restaurant	Warwick	No
Chain Restaurant	Warwick	No
Chain Restaurant	North Kingstown	No
Chain Restaurant	Westerly	No
Chain Restaurant	Warwick	No
Chain Restaurant	Coventry	No
Chain Restaurant	Warwick	No
Chain Restaurant	Richmond	No

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Chain Restaurant	Pawtucket	No
Chain Restaurant	Pawtucket	No
Chain Restaurant	Providence	No
Chain Restaurant	N. Smithfield	No
Chain Restaurant	Providence	No
Chain Restaurant	Providence	No
National Retail and Food	Newport	No
National Grocer	Providence	No
Food Wholesaler	Cranston	No
National Grocer	Providence	No
Local Grocer	Cranston	Yes
Local Grocer	Glocester	Yes
Local Grocer	Wickford	Yes
Local Grocer	Warwick	Yes
Local Grocer	Smithfield	Yes
Local Grocer	Smithfield Crossing	Yes
Local Grocer	North Kingstown	Yes
Local Grocer	Warwick	Yes
Local Grocer	East Greenwich	Yes
Local Grocer	Cumberland	Yes
Local Grocer	Coventry	Yes

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Regional Gas and Food	Westerly	No
Regional Gas and Food	Woonsocket	No
Regional Gas and Food	Narragansett	No
Regional Gas and Food	Warwick	No
Regional Gas and Food	East Greenwich	No
Regional Gas and Food	North Providence	No
Local Grocer	Portsmouth	Yes
National Retail and Food	Johnston	No
Local Grocer	Wakefield	Yes
National Grocer	Westerly	No
Regional Grocer	Cranston	No
Regional Grocer	E Providence	No
Regional Grocer	Warwick	No
Regional Grocer	North Kingstown	No
Regional Grocer	Westerly	No
Regional Grocer	Richmond	No
Regional Grocer	Warwick	No
Regional Grocer	Providence	No
Regional Grocer	Narragansett	No
Regional Grocer	North Kingstown	No
Regional Grocer	Pawtucket	No

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Regional Grocer	Warwick	No
Regional Grocer	Middletown	No
Regional Grocer	Cranston	No
Regional Grocer	Johnston	No
Regional Grocer	Newport	No

**Definitions:**

National Grocer: a grocer who has locations in many states across the country.

Regional Grocer: a grocer who has locations on the east coast or in New England only.

National Retailer: and Food is primarily a retailer that also has a grocery section or area.

Local Grocer: a grocer who has locations only in Rhode Island.

Regional Gas and Food: primarily a gas station that also sells food and beverages.

Chain Restaurant: is a restaurant that has more than 10 locations across New England or the United States.

Pharmacy and Food: primarily a pharmacy that also sells food and beverages.

Food Wholesaler: a company who sells food and food preparation supplies to members only. The customer base is typically restaurants or hotels.

PUC 1-23

Request:

What amounts are budgeted in 2017 for company owned and customer owned street light Incentives?

Response:

The 2017 planned budget for street light incentives (customer and company owned) is \$1.84 million. Since the costs to energy efficiency do not change based on who owns the lights, no distinction was made between customer-owned and company-owned street lights. The Company plans to provide 15 cents per kWh for the street lights and 25 cents per kWh for the controls during 2017.

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PUC 1-24

Request:

Narragansett Electric's 2015 FERC Form 1 indicates that the company had an average of 449,020 customers in 2015. Of this number, and excluding Home Energy Reports, what number of customers are deemed to be actual participants in the energy efficiency programs?

Response:

Excluding Home Energy Reports, in Program Year 2015, the Company estimates that 316,752 electric customers participated in its electric programs. This number does not account for customers who may have participated in more than one program and, therefore, may count the same customer more than once.

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PUC 1-25

Request:

Please confirm that as of September 2016 Narragansett Electric has approximately 260,000 gas customers. Of this number, and excluding Home Energy Reports, what number of customers are deemed to be actual participants in the energy efficiency programs?

Response:

As of August 31, 2016, Narragansett Electric had 261,634 gas customers. Excluding Home Energy Reports, from 2012 through 2015, the Company estimates that 39,935 unique gas customers participated in its gas programs at least once.

PUC 1-26

Request:

Please calculate electric and gas customer participation rates (identified on pages 17-18 and Graphs 4 and 5 on page 18), excluding the Home Energy Reports as a participation unit.

Response:

The participation rates on page 17-18 are based on an analysis that looks at cumulative unique participation between 2012 and 2015. For electric programs, the analysis combines Home Energy Reports and ENERGY STAR Lighting as an input because the Company cannot remove duplicate participants across these programs and its other programs. Removing the combined Home Energy Reports and ENERGY STAR Lighting participation shows the Company served approximately 25% of its electric customers at least once during program years 2012-2015.

For electric programs shown in Graph 4 on page 18, removing Home Energy Reports and ENERGY STAR Lighting participation from the analysis shows the Company is projecting to serve 39% of its electric customers at least once through 2017.

For gas programs on page 17-18 of the EE Plan, removing Home Energy Reports from the analysis shows the Company served approximately 18% of its gas customers at least once during program years 2012-2015. For gas programs shown in Graph 5 on page 18, removing Home Energy Reports from the analysis shows the Company is projecting to serve 28% of its gas customers at least once through 2017.

PUC 1-27

Request:

In regards to the Home Energy Reports, please identify the benefit or benefits and explain how the benefit(s) are valued.

Response:

Home Energy Reports deliver energy, demand, and MMBTU savings as a result of behavioral changes made by participants. These energy, demand, and MMBTU savings are claimed by the behavioral programs and are evaluated using a Randomized Control Trial (RCT) that compares the billing data of a control group to the recipient population. Recipient savings are then calibrated by removing savings that can be attributable to other programs. Though the program claims savings based on the total number of recipients, this is not meant to suggest that 100% of the recipient population will demonstrate behavioral changes that result in energy, demand, and MMBTU savings. Some recipients may not respond to the report and may show no discernable difference from the control population, while some recipients may realize large savings through behavioral changes made in response to the reports. The overall savings are an average of all recipients, some of which may show savings and others which may not.

The benefits that are claimed as a result of these savings include the avoided cost of energy and capacity, Demand Reduction Induced Price Effect (DRIPE), and the avoided cost of natural gas. Avoided costs are determined by the "Avoided Energy Supply Costs in New England: 2015 Report" developed by Tabors, Caramanis, and Rudkevich (TCR) (bates page 27).

PUC 1-28

Request:

What amount of money will be collected from income eligible gas and electric customers via the System Benefit Charge. What amount of money will be spent from the 2017 EE budget to serve income eligible gas and electric customers?

Response:

The Company estimates that \$3.07 million will be collected from income eligible customers via the electric Energy Efficiency Program charge and \$1.43 million will be collected from income eligible customers via the gas Energy Efficiency Program charge. The estimated collections for both electric and gas are exclusive of uncollectible recovery and the electric estimate also does not reflect the system reliability factor.

According to Tables E-1 and G-1, the Company plans to spend \$12.64 million of the electric EE budget and \$6.17 million of the gas EE budget on services for income eligible customers. In addition, income eligible customers can participate in the ENERGY STAR Lighting, Residential Consumer Products, and Home Energy Reports program. Therefore, the total amount of money spent to serve income eligible customers may be higher.

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PUC 1-29

Request:

What amount of money will be collected from non-income eligible gas and electric customers via the System Benefit Charge. What amount of money will be spent from the 2017 EE budget to serve non-income eligible gas and electric customers?

Response:

The Company estimates that \$30.73 million will be collected from non-income eligible customers via the electric Energy Efficiency Program charge and \$15.36 million will be collected from non-income eligible customers via the gas Energy Efficiency Program charge. The electric and gas uncollectible recovery factor as well as the system reliability factor were not included in this calculation.

According to Tables E-1 and G-1, the Company plans to spend \$33.99 million of the electric EE budget and \$13.18 million of the gas EE budget serving non-income eligible customers.

PUC 1-30

Request:

What amount of money will be collected from C&I gas and electric customers via the System Benefit Charge. What amount of money will be spent from the 2017 EE budget to serve C&I gas and electric customers?

Response:

The Company estimates that \$49.34 million will be collected from C&I customers via the electric Energy Efficiency Program charge and \$14.25 million will be collected from C&I customers via the gas Energy Efficiency Program charge. The estimated collections for both electric and gas are exclusive of uncollectible recovery and the electric estimate also does not reflect the system reliability factor.

According to Tables E-1 and G-1, the Company plans to spend \$47.94 million of the electric EE budget and \$10.39 million of the gas EE budget serving C&I customers.