Rhode Island Office of Energy Resources One Capitol Hill, 4th Floor Providence, RI 02908



August 6, 2018

Via Regular U.S. Mail & Electronic Mail

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

Re: PUC Docket No. 4684 - RI Energy Efficiency and Resource Management Council (EERMC) - Proposed Energy Efficiency Savings Targets

Dear Ms. Massaro:

The Rhode Island Office of Energy Resources ("OER") writes to express significant concerns regarding the process and timeline for revising the least cost procurement ("LCP") standards discussed during an open meeting held by the Commission on Tuesday, July 31, 2018. OER asks the Commission to consider this letter in advance of the open meeting tentatively scheduled for August 9, 2018 during which the Commission will clarify the timeframe for implementation of any approved revised LCP standards.

At the July 31st open meeting, the Commission voted to reject the revised LCP standards that were filed on May 18, 2018 by the Energy Efficiency and Resource Management Council ("EERMC"). On August 3rd, Commission staff introduced newly proposed LCP standards on which stakeholders will have three weeks to comment. Based on the July 31st open meeting discussion, it is our understanding that the Commission could potentially rule on the newly proposed LCP standards as soon as August 24, 2018 *without additional technical sessions, testimony, and/or hearings.* This process and timeline would be wholly insufficient for adequately engaging stakeholders in this important decision.

The LCP standards determine the tests used to validate that National Grid's energy efficiency programs adhere to Rhode Island's LCP law (i.e. that the programs are less than the cost of supply and are cost-effective). These programs have helped Rhode Island to be recognized as a national leader in energy efficiency. Most observers agree that an extensive stakeholder process and the ongoing give and take resulting from stakeholder input are hallmarks of Rhode Island's success.

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The proposed LCP standards that were filed by the EERMC on May 18, 2018 were the result of a robust stakeholder process. This process, which included public debate and discussions at several EERMC public meetings, took place over the course of eight months. Once filed with the Commission, it is our understanding that most, if not all, stakeholders were satisfied with the proposed LCP standards, including OER. Given the introduction of newly proposed LCP standards by Commission staff, all stakeholders should have an opportunity to re-engage. For their engagement to be meaningful, and to benefit the Commission, stakeholders should be granted sufficient opportunity to thoroughly understand, discuss, and comment on the proposed changes. This cannot be achieved in just a few weeks, particularly on an issue of such importance.

The Commission has tentatively scheduled an open meeting for August 9, 2018 to clarify the timeframe for implementing any revised LCP standards. At this meeting, I respectfully encourage the Commission to either (1) approve the LCP standards as filed by the EERMC on May 18, 2018 to be utilized for the 2019 EE Plan or (2) order that the same LCP standards and methodology that were utilized for the 2018 EE Plan be utilized for the 2019 EE Plan. Furthermore, I encourage the Commission to develop a thoughtful timeline and process that is as inclusive as possible of various stakeholders for updating the LCP standards in advance of the 2020 EE Plan.

Thank you for your consideration. OER looks forward to working with the Commission, the EERMC, the utility, and other stakeholders to ensure that National Grid's programs continue to keep Rhode Island at the forefront of energy efficiency innovation.

Sincerely,

Carol J. Grant Commissioner