Raquel Webster
Senior Counsel

June 25, 2018

BY HAND DELIVERY AND ELECTRONIC MAIL

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

RE: Docket 4755 – 2018 Energy Efficiency Program Plan
Responses to Division Data Requests – Set 1

Dear Ms. Massaro:

I have enclosed ten copies of National Grid's[1] responses to the first set of data requests issued by the Rhode Island Division of Public Utilities and Carriers in the above-referenced docket.

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 4755 Service List
Jon Hagopian, Esq.
John Bell, Division

[1] The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

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Division 1-1

Request:

Please describe in detail the assumptions and methodologies that were used to estimate the economic development and environmental benefits of the Navy's CHP Project.

Response:

The Navy CHP project benefit/cost ratio (BCR) screening uses the economic and environmental benefits shown in Attachment 4 of the 2018 Rhode Island Energy Efficiency Program Plan (EEPP), Docket 4755. Specifically, the economic development benefit for CHP projects is shown on Bates page 12. Attachment 4, Bates page 12 "Greenhouse gas reduction benefits" allows for including additional greenhouse gas and air-quality benefits associated with CHP if they can be quantified, but due to a lack of detailed pre-project emissions information, the Navy CHP BCR calculation does not include any extraordinary environmental benefits beyond those considered for all measures in the 2018 RI EEPP.

Division 1-2

Request:

Please provide the results of the cost-effectiveness screening analysis, in terms of net present value of costs and net present value of benefits.

Response:

The following table shows the Net Present Values of costs and benefits associated with the Navy CHP project. Note that the Gas and Operations & Maintenance (O&M) benefits are negative values.

Navy CHP 2018 RI Test B/C Ratio		
	Project cost -->	$ 20,000,000
Econ $ benefits	$ 16,000,000	
Electric $ benefits	$ 84,050,160	
Oil $ benefits	$ 19,536,682	
Gas $ benefits	$ (79,259,076)	
O&M $ benefits	$ (13,210,589)	
	Total benefits -->	$ 27,117,176
	Total B/C ratio -->	1.36

Prepared by or under the supervision of: Rachel Henschel

Division 1-3

Request:

Please provide the workbook(s) that National Grid used to evaluate the cost-effectiveness of the Navy's CHP Project, in electronic, machine readable format.

Response:

Please see Attachment 1-3, a Microsoft Excel file entitled "Navy_CHP_BCR.xlsx."

Prepared by or under the supervision of: Rachel Henschel

Division 1-4

Request:

Please provide the cost of saved energy, as well as all calculations the Company used to determine it.

Response:

Please see tab "Avoided Costs" in Attachment 1-3. The avoided costs for a project with a 20-year measure life and used in the BCR calculation are highlighted. These avoided costs are the cost of saved energy consistent with the 2018 RI EEPP, and are from the 2015 Avoided Energy Supply Cost (AESC) study. Calculations for the AESC are described in the 2018 EEPP, Attachment 4, Bates page 1.