



State of Rhode Island
Division of Public
Utilities & Carriers

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To: Luly Massaro, Commission Clerk, Public Utilities Commission

From: John Bell, Chief Accountant, Division of Public Utilities
Albert De Miranda, Rate Analyst, Division of Public Utilities & Carriers

Date: December 12, 2018

Subject: Pascoag Utility District 2019 Demand Side Management Program: Rhode Island
Public Utilities Commission Docket #4894

On November 5, 2018, Pascoag Utility District (Pascoag) filed with the Commission a proposed Demand Side Management (DSM) Program budget for the calendar year 2019. Pascoag did not propose any changes to its currently approved DSM charge of \$0.002 kilowatt-hour. The total proposed budget for 2019 is \$182,746 which is comprised of \$108,640 from projected DSM rate revenues, a carryover of \$9,106 from 2018 and \$65,000 through the Office of Energy Resources (OER) from Regional Greenhouse Gas Initiative (RGGI) funds.

According to Pascoag's executive summary, Pascoag's 2019 Demand Side Management proposal mirrors the 2018 Program. Noteworthy budget changes are in Home Energy Audits with Weatherization, and the Burrillville School Department. Pascoag proposes to increase the budget for Home Energy Audits from \$4,020 to \$65,000 and to cover this increase with the RGGI funds. Additionally, because of the completion of a lighting project for the Burrillville School Department, Pascoag proposed to decrease the budget for the School Department from \$45,999 to \$9,300.

The increase in the Home Energy Audits with Weatherization line item is requested to cover an increased effort in this area to conduct 120 audits in comparison to the current level of 12. In addition, new weatherization incentives, including insulation, air sealing and programable thermostats will be provided.

Pascoag proposed adding two new line items to the 2019 budget. The new line items include an Energy Efficiency Consultant at \$10,000 and a University of Rhode Island Energy Fellow budgeted at \$9,000. The Energy Efficiency Consultant will provide guidance in programs: data collection, cost-benefit analysis, and program development. The University of Rhode Island Energy Fellow will assist with the Demand Side Management program. Pascoag plans to apply for funding through the Rhode Island Governor's Workforce Board-Work Immersion Program to

defray costs of the University of Rhode Island Energy Fellow. If the application is approved, Pascoag would be reimbursed 35% of the cost of the fellowship. Pascoag budgeted for the full amount of the fellowship, in the event the Work Immersion Program does not grant them funding.

After review of the Pascoag's filing and responses to data requests, the Division recommends that the Commission approve Pascoag's 2019 DSM program budget as filed.