



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
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December 12, 2018

Via Regular U.S. Mail & Email

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

Re: PUC Docket No. 4894 - Pascoag Utility District - 2019 Demand Side Management

Dear Ms. Massaro:

Enclosed for filing in the above referenced docket, please find an original and ten copies of the Rhode Island Office of Energy Resources' memorandum in support of the Pascoag Utility District - 2019 Demand Side Management Plan.

Please note that Carrie A. Gill, Ph.D., Chief, Program Development, Rhode Island Office of Energy Resources will be available at the hearing scheduled for 1PM on December 18, 2018 as the sponsor of the enclosed memorandum.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Andrew S. Marcaccio
Deputy Chief of Legal Services

Enclosures

cc: Service List (email only)

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



STATE OF RHODE ISLAND
**OFFICE OF
ENERGY RESOURCES**
Commissioner Carol J. Grant

MEMORANDUM

To: Public Utilities Commission
From: Carrie A. Gill, Ph.D., Chief, Program Development,
Rhode Island Office of Energy Resources

A handwritten signature in blue ink, appearing to read "Carrie A. Gill".

Date: December 12, 2018

Re: PUC Docket No. 4894 - Pascoag Utility District - 2019 Demand Side Management Plan

The Office of Energy Resources (“OER”) respectfully submits this memorandum in support of Pascoag Utility District’s (“PUD”) 2019 Demand Side Management Plan (“2019 DSM Plan”) that was filed with the Public Utilities Commission (“PUC”) on November 5, 2018 through Docket No. 4894. OER encourages the Commission to approve the 2019 DSM Plan as filed.

PUD’s proposed 2019 DSM program is expected to result in increased energy and demand savings beyond 2018 achievements, contributing to PUD’s ability to deliver reliable, safe, clean, and affordable energy to customers while addressing the challenge of climate change. PUD’s two requests for proposals and enhanced residential program will also support clean energy jobs, with customers’ energy cost savings additionally supporting local and state economies. PUD’s method of identifying barriers to energy efficiency and developing strategies to overcome these barriers, such as through supporting financing for businesses and increasing weatherization incentives, facilitates customer investment in cost-effective energy efficiency projects in their facilities. Furthermore, the 2019 DSM Plan is aligned with the State Energy Plan and broader state energy policy goals.

In Spring 2018, OER began working with PUD to more thoroughly understand the energy efficiency needs and opportunities in the Pascoag community, and develop strategies to enhance PUD’s existing DSM programs and incentives. These strategies are outlined in Schedule K of PUD’s DSM filing. OER commends PUD for already making significant progress toward several of the strategies.

To assist with program enhancements, OER allocated proceeds from two rounds of funding from the Regional Greenhouse Gas Initiative (“RGGI”). Funding from the state’s [2018-A RGGI Allocation Plan](#) is supporting cost-effective lighting upgrades in three Pascoag schools. This project leverages RGGI funding, PUD incentives, and funding from the Burrillville School Department, and is estimated to save nearly 200 MWh annually.

Funding from the state's [2018-B RGGI Allocation Plan](#) is supporting the delivery of cost-effective energy efficiency programs and incentives to PUD customers. We expect to disburse funding over three years to promote thoughtful program development and allow for scaling of resources and customer awareness. In 2019, funding is supporting expanded access to no-cost residential energy audits and weatherization incentives in 2019. PUD has a robust goal of conducting nearly ten times more no-cost residential energy audits in 2019 than it has historically. These audits are coupled with enhanced incentives for insulation, air sealing, and programmable thermostats. Together, the audits and weatherization incentives will help Pascoag residents identify energy efficiency opportunities, reduce energy use and save money, and increase the comfort of their homes throughout the year.

The 2019 DSM Plan also commits to strengthening the foundation for enhanced DSM programs and increased access to energy efficiency in future years. PUD proposes hiring a consultant with technical expertise to advise on program development and track program impacts. This will allow PUD staff to optimize programs and incentive levels, and fully understand the impacts of their DSM offerings. OER plans to work collaboratively with PUD staff in the program development and monitoring process.

Other notable features of PUD's 2019 DSM include their commitment to either supporting Commercial Property Assessed Clean Energy ("C-PACE") or pursuing other third-party financing options for businesses, research and development regarding electric vehicles and charging infrastructure, and investigation of battery storage as a non-wires alternative to a substation/feeder upgrade. OER commends PUD for recognizing the potential impacts of electrification and proactively preparing for the impacts.

OER looks forward to working collaboratively with PUD to support enhancement of and access to DSM offerings. OER is grateful for the opportunity to provide input into the 2019 DSM Plan and applauds PUD's commitment to enabling access to cost-effective energy efficiency for their customers.