

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: PASCOAG UTILITY DISTRICT :  
2020 DEMAND SIDE MANAGEMENT :**

**DOCKET 4991**

**COMMISSION'S FIRST SET OF DATA REQUESTS ISSUED TO PASCOAG**

**Issued November 13, 2019  
(Please respond by November 27, 2019)**

- 1. The 2019 budget provided \$65,000 for Home Energy Audits, yet Schedule D-2 indicates that PUD expects to spend only \$46,000 on the program in 2019. PUD proposes funding in 2020 of \$65,000. What evidence does PUD have that would indicate that it will have \$65,000 of demand for the program in 2020?**

Answered by Desarae Dolan:

2019 was the first year we've ever offered insulation, air sealing and programmable thermostat rebates. We've completed almost 100 energy audits as of this week. We've also done extensive marketing around this program. We believe that some of the customers that took advantage of the home energy audits in 2019 will insulate, air seal or install programmable thermostats in 2020 in addition to those that will complete energy audits in 2020. Typically when our customers get an energy audit, they make energy efficiency improvements over the course of several years.

In addition, we've expanded the direct install options to include low flow aerators and shower heads. We've also removed the cap on direct install LED light bulbs. We also plan to continue marketing this program and believe that will help encourage customers to weatherize their homes.

- 2. Schedule D-1 indicates spending to date on energy audits of \$31,000. Schedule D-2 indicates PUD will spend \$46,000 for the full year on audits. Why does PUD believe it will spend \$15,000 on audits between now and year end 2019?**

Answered by Desarae Dolan:

We have not been billed for energy audits/direct installs that took place in October or for energy audits/direct installs that are scheduled for November and December. As of the filing date, we had only been billed for 81 audits/direct installs that took place from January-September. We are close to hitting our goal of 120 energy audits for 2019 so that means we still have roughly 39 energy audits/direct installs to be billed for. The remaining audits will cost roughly \$9,225 and we estimate direct installs will cost another \$3,000. That would leave \$2,775 for weatherization rebates until the end of the year,

which would be equivalent to two customers taking advantage of the air sealing and insulation rebate. We feel this is reasonable given current adoption rates so far in 2019.

**3. PUD is proposing to eliminate the window and door rebates for 2020. PUD states it is difficult to estimate energy savings for this program with the proper modeling tools.**

Answered by Desarae Dolan:

**a. Does PUD believe that this program offers some level of energy savings?**

Yes, we do believe this program offers some level of energy savings however, we're not accurately able to estimate how much.

**b. How long has PUD offered this program?**

PUD has offered this program for at least 10 years.

**c. Has PUD typically expended the total budget for this line item in recent history?**

In the past five year's PUD has expended the following for this program:

- 2015-\$2,415 out of a \$2,500 budget
- 2016-\$2,500 out of a \$2,500 budget
- 2017-\$2,500 out of a \$2,500 budget
- 2018-\$1,185 out of a \$2,300 budget
- 2019-\$1500 out of a \$1500 budget

**d. In general, do PUD customers like this program?**

PUD's customers do like this program. A few years ago, Energy New England took a look at our energy efficiency programs and suggested that we might want to eliminate the windows and doors program due to minimal claimable energy savings. We were the only public utility they had surveyed that was still rebating windows and doors. We were hesitant to remove the program due to its popularity. In 2019, we reviewed our programs with Optimal Energy and OER and it was again suggested that we eliminate the program due to the fact that we are not able to accurately calculate the energy savings for this program. Utilities both in Rhode Island and elsewhere, have moved away from offering incentives for these measures as well.

**e. Did PUD seek any customer input prior to proposing elimination of the program?**

No, we did not seek input from our customers because we based our decision on our inability to accurately determine what the energy savings benefit would be and to better align our plan with other public power utility programs.

4. Please provide an itemization of the following:

- a. An itemization of the \$21,000 of 2019 spending on administrative (Sch D-2, In DA1901)

Answered by Desarae Dolan:

<b>Expenses</b>	<b>Jan-Sept. 2019</b>
Labor-	
Projects	\$875.76
Phone Calls	\$2,186.91
Rebates	\$2,266.07
Reporting and 2020 Planning	\$5,356.76
Community	\$1,920.55
Supplies & Mileage	\$481.92
Legal Fees	\$1032.50
<b>Totals:</b>	<b>\$14,120.47</b>

**Labor Costs:**

**Projects**-This accounts for any time spent by staff for working with customers on their energy efficiency projects, pre/post inspection for commercial and industrial projects and any time dedicated to the LED streetlight program.

**Phone Calls**-This accounts for any time spent by staff answering phone calls related to audits, energy star and rebate questions.

**Rebates**-This accounts for the time staff spends on processing rebates which includes: calling back customers for additional information, researching whether a product qualifies, inputting the information into our billing system, processing credits, making notes on the customer's account, management approving rebates, sending out letters letting the customer know that the rebate has been processed and filing.

**Reporting Requirements and Planning for 2020**-This represents the labor spent compiling the information for the full budget, mid-year and reconciliation each year. It also includes any labor spent on planning for 2020's program.

**Community**-This accounts for the meetings and time spent working on conservation activities within the community

**Supplies & Mileage**- This represents any mileage for traveling to meetings, supplies such as paper, envelopes, postage, copies and miscellaneous office supplies we might need for the programs.

**Legal Fees**-This represents any fees associated with PUD’s attorney reviewing the filing and the program’s portion of court reporter fees.

PUD expects that it will expend the remaining \$6,880 on labor for finishing up projects, processing rebates, answering phone calls and emails about rebate programs, reconciling work orders and attending meetings regarding the program during the Oct-Dec timeframe.

**b. An itemization of the \$21,000 of 2020 spending on administrative (Sch A-1, In DA2001)**

Answered by Desarae Dolan:

PUD projects that it will incur the following in administrative expenses:

<b>Projected Expenses</b>	<b>2020</b>
Labor-	
Projects	\$1,000
Phone Calls	\$3,500
Rebates	\$4,000
Reporting and 2021 Planning	\$7,500
Community	\$3,000
Supplies & Mileage	\$600
Legal Fees	\$1,400
<b>Totals:</b>	<b>\$21,000</b>

**5. Schedule D-1 indicates that as of November 7<sup>th</sup>, PUD has incurred \$14,120 of DSM administrative expense (page 25 of 63, In DA1901). Schedule D-2 indicates that PUD expects to incur \$21,000 of DSM administrative expense by year end (page 26 of 63, In DA1901). Please identify what PUD will spend \$6,880 between November 7<sup>th</sup> and year end.**

Answered by Desarae Dolan:

PUD only included labor expenses through September and has not processed labor expenses for October-December. PUD expects that it will expend the remaining \$6,880 on labor for finishing up projects, processing rebates, answering phone calls and emails about rebate programs, reconciling work orders and attending meetings regarding the program during the Oct-Dec timeframe.

- 6. Schedule C, page 11 of 63 explains that a customer must provide the make, model and age of the refrigerator that is being recycled. Are there certain refrigerators that would not be eligible for the rebate even if they are between 10 and 30 CF and still in working order?**

Answered by Desarae Dolan:

All refrigerators are eligible if they are between 10 and 30 CF and are still in working order. We ask for the additional information of make, model and age to determine that the refrigerators being recycled are old and inefficient.

- 7. Does Pascoag believe it will be able to fully spend the proposed 2020 budget of \$1,000 for the change a light program given the incentive will only be offered on items purchased from Lawrence Brothers (See page 14 of 63)?**

Answered by Desarae Dolan:

As the lighting markets continues its transformation and the claimable savings from LED lighting will continue to diminish, PUD is hoping to prioritize getting as many LED bulbs installed to take advantage of those savings while we can and ensure our customers are realizing the energy and costs savings LED bulbs provide. You can see further evidence of this commitment in our pursuit of LED conversions for all of our streetlights and school buildings over the years, for example. We initially felt that we could spend \$1,000 on this program by heavily marketing it but new information has since come to light. Lawrence Brothers Hardware Store has recently changed hands. We were able to speak to the new owner this week and were told that they have signed an agreement with National Grid to sell lightbulbs and fixtures in their store but they haven't officially been included on National Grid's lighting retailer list yet. We've also revisited the potential list of retailers that are on National Grid's list and found that all of the stores in close proximity to us are working with National Grid to provide upstream incentives on lighting fixtures as well as lightbulbs.

In order to address the concern the Public Utilities Commission expressed at last year's hearing regarding Pascoag customers receiving two rebates for lighting and lighting fixtures, Pascoag would like to stop providing rebates on LED lightbulbs and lighting fixtures and instead provide LED lightbulbs that we can give away to our customers at the many community events we attend each year. We feel that this will be very popular and be especially helpful to our low income and elderly-fixed income customers. We would keep a customer list with us at the event to make sure the person qualifies for the lighting kit. In this way, we will not only be able to guarantee that our customers aren't receiving two rebates on the same product but also that we will be able to spend the full budgeted amount of this line item as we attend many community events throughout the year and this would be an item our customers would welcome. We can also provide an addendum to the DSM plan for 2020 reflecting this change.

**8. In 2020:**

Answered by Desarae Dolan:

- a. What amount of funds will be collected from residential customers from the DSM system benefit charge (both in dollars and as a percentage of total SBC collections)?**

Approximately \$66,157.20 (60%) will be collected from residential customers.

- b. What amount of funds will be collected from C&I customers from the DSM system benefit charge (both in dollars and as a percentage of total SBC collections)?**

Approximately \$44,104.80 (40%) will be collected from C&I customers.

- c. What amount of funds will be spent on residential customers from the DSM budget (both in terms of dollars and percentage of total DSM spending)?**

\$81,815 out of \$144,729 of the funds allotted to the residential and C&I program will be used for residential customer programming or 57%.

- d. What amount of funds will be spent on C&I customers from the DSM budget (both in terms of dollars and percentage of total DSM spending)?**

\$62,914 out of \$144,729 of the funds allotted to the residential and C&I program will be used for C&I customer programming or 43%.

**9. What projects does PUD expect to fund in 2020 with the \$83,700 of RGGI funds (\$64,700 + \$19,000)?**

Answered by Desarae Dolan:

PUD is dedicating \$65,000 of RGGI funds to the Home Energy Audits with Weatherization Incentive Program, which will include additional direct install measures in 2020 (low-flow showerheads and faucet aerators, as well as an uncapped amount of LED bulb replacements). The remaining \$18,700 would fund the Burrillville High School Lighting Project. This is the last school in PUD's territory that has not completed a lighting project and after its completion, all streetlights and school buildings in PUD's territory will have completed LED lighting conversions.