

CHAPTER 4 – Three-Year System Reliability Procurement Plans

Commented [BT(40): This Chapter now only addresses the Three-Year SRP Plan.

4.1 Intent

- A. This Chapter provides standards and guidelines for Energy Efficiency and Conservation Procurement Plans filed with the PUC pursuant to R.I. Gen. Laws §§ 39-1-27.7(c)(4).

4.2 Purpose

- A. The Three-Year System Reliability Procurement Plan (Three-Year SRP Plan) shall describe general planning principles and potential areas of focus for SRP for the three years of implementation, beginning with January 1 of the following year. Such SRP Plans shall include, but are not limited to
- B. The Three-Year SRP Plan shall provide screening criteria for non-wires alternatives and a proposal for how such screening criteria will be included in system planning.
- C. The Three-Year SRP Plan will provide strategies and technologies the distribution company intends to employ or consider employing over the next three years pursuant to R.I. Gen. Laws § 39-1-27.7 and these standards.
- D. The Three Year SRP Plan will explain in summary how identical, similar, and related investments across programs contributed incrementally to the state energy policies and goals for the natural gas and electric systems.

4.3 General Plan Design and Principles

- A. In order to adhere to the principles set forth in R.I. Gen. Laws § 39-1-27.7, and to meet Rhode Island’s energy system needs in a least cost manner, the SRP Standards set forth guidelines for the incorporation of energy efficiency, distributed generation, demand response, and other energy technologies (collectively referred to as “non-wires alternatives” or NWA) into distribution company distribution planning. These guidelines seek to enable the deployment of cost-effective NWAs to achieve state policy goals, optimize grid performance, enhance reliability and resiliency, and encourage optimal investment by the distribution company.
- B. SRP should be integrated with the distribution company’s distribution planning process and be designed, where possible, to complement the objectives of Rhode Island’s energy efficiency; renewable energy; and clean energy programs, and describe its interaction with them, including, but not limited to, the programs described in Section 1.2.A.ii. SRP should also be coordinated, where possible, with other applicable energy procurement, planning, and investment programs, including, but not limited to, Standard Offer Supply Procurement and the Infrastructure, Safety, and Reliability Plan.

Commented [BT(41): From existing Std. 2.1.B

Commented [BT(42): From existing Std. 2.1.C

4.4 Content

- A. The Three-Year Plan shall contain sections that describe the following:
 - i. Proposed screening criteria for non-wires alternatives and a proposal for how such screening criteria will be included in system planning.
 - ii. Proposed evolutions to definitions, identification, and assessment of non-wires alternatives, which may include, but are not limited to:
 - a. observations and lessons learned from the most recent three-year period,

- b. trends in distributed energy resource technology and analytics, either grid-side or customer-side, that may influence NWA planning over the three-year period;
 - iii. anticipated scope of NWA deployment in the coming three-year period,
 - a. in-progress NWA projects projected to continue and a high-level timeline,
 - b. projected areas of focus ⁶ for distribution planning review that may result in the identification of new NWA projects;
 - iv. description of how the SRP Plan complements the objectives of Rhode Island's energy efficiency, renewable energy, and clean energy programs listed in 2.1.C; and
 - i. ~~An annual reporting plan on the implementation of the Three-Year SRP Plan and investments made under System Reliability Procurement during the Three-Year SRP Plan period, and;~~
- B. ~~The Three-Year plan will include a discussion of how the Plan is consistent with the requirements of Section 1.3.~~
- C. ~~Performance Incentive Plan Structure, pursuant to Section 1.5.~~
 - i. ~~The distribution company may propose incentive structures for System Reliability Procurement for effect during the Three-Year SRP Plan.~~
- D. ~~Testimony~~
 - i. ~~To the extent applicable, the distribution company will prefile testimony on the following:~~
 - a. ~~Cost-Effectiveness of measures, programs, and portfolios~~
 - b. ~~Prudency and~~
 - c. ~~Reliability~~
 - d. ~~Environmental Responsibility~~
 - ii. ~~Prefiled testimony will also state what approvals for the Three-Year SRP Plan the distribution company requesting from the PUC.~~

Commented [BT(43)]: This is intended to entirely replace the Annual Report Section.

Commented [BT(44)]: To be consistent with the statute

4.5 PUC Orders

- A. ~~The PUC will approve screening requirements and implementation into system planning that meet the Standards herein.~~
- B. ~~The PUC will approve annual reporting requirements that meet the standards herein.~~
- C. ~~The PUC will approve a three-year performance incentive plan for Energy Efficiency and Conservation Procurement.~~
- D. ~~The PUC will order adoption of any other proposals supported by the Plan and consistent with Least-Cost Procurement, and all applicable statutes, rules, and policies.~~

4.6 Timing

⁶ It is not anticipated that this will include project specifics, which are dependent on needs and screening; those are expected in annual SRP Reports. In the absence of project specifics or budgets, this section is intended to give a picture of the expected size and scope of NWA efforts during the three-year period and a sense of whether it is expected to grow relative to current activities.

E. PLACEHOLDER FOR FILING DEADLINE

CHAPTER 5 – Role of the Council in ~~Efficiency~~ Plan Development and Approval

5.1 Intent

- A. This Chapter provides guidelines for the Council’s role in development and approval of Least-Cost Procurement Plans described in Chapters 3 and 4.

5.2 Guidelines

- A. The Council shall take a leadership role in ensuring that Rhode Island ratepayers receive excellent value from the Three-Year Plan being implemented on their behalf. The Council shall do this by collaborating closely with the distribution company on design and implementation of the M&E efforts presented by the distribution company under the terms of Section 1.4.D and, if necessary, provide recommendations for modification that will strengthen the assessment of distribution company programs.
- B. In addition to the other roles for the Council indicated in this filing, the distribution company shall seek ongoing input from, and collaboration with, the Council on development of the Three-Year Plan and Annual Plans, and on development of annual updates, if any, to the Three-Year Plan. The distribution company shall seek to receive the endorsement of the Energy Efficiency Plan by the Council prior to submission to the PUC.
- C. The distribution company and the Council shall report to the PUC a process for Council input and review of its 2008 EE Procurement Plan and EE Program Plan by July 15, 2008, and triennially thereafter.
- D. The Council shall vote whether to endorse the Three-Year Plan by August 15, 2008, and triennially thereafter. If the Council does not endorse the Three-Year Plan, then the Council shall document the reasons and submit comments on the Three-Year Plan to the PUC for their consideration in final review of the Three-Year Plan.
- E. The distribution company shall, in consultation with the Council, propose a process for Council input and review of its Three-Year Plan and Annual Plan. This process is intended to build on the mutual expertise and interests of the Council and the distribution company, as well as meet the oversight responsibilities of the Council.
- F. The distribution company shall submit a draft Annual Plan to the Council and the Division of Public Utilities and Carriers for their review and comment annually, at least one week before the Council’s scheduled meeting prior to the filing date that year.
- G. The Council shall vote whether to endorse the Annual Plan prior to the prescribed filing date. If the Council does not endorse the Annual Plan, the Council shall document its reasons and submit comments on the Annual Plan to the PUC for its consideration in final review of the Annual Plan.
- H. The Council shall prepare memos on its assessment of the cost effectiveness of the Three-Year Plans and Annual Plans, pursuant to R.I. Gen. Laws §39-1-27.7(c)(5), and submit them to the PUC no later than three weeks following the filing of the respective Energy Efficiency Plans with the PUC.

Commented [BT(45)]: Copied entirety of existing Section 1.6. Should be edited to capture the Council’s role in SRP.

CHAPTER 6—Additional Standards for System Reliability Procurement Investment Proposals

6.1 Placeholder.

- A. This is the placeholder for a generic SRP filing, which would replace requests for approval and funding in annual SRP Plans.
- B. This is where to put any other information the PUC or parties want to include in an SRP filing that are in addition to what would be filed to meet the standards in Section 1.3. For example, some of the sections in the existing 2.5.A(i) through (ix) or 2.5.B may be useful to specifically require.
- C. If the requirements in 1.3 are enough, then we can eliminate this placeholder chapter.