

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC CO. :
D/B/A NATIONAL GRID – 2021-2023 ENERGY :
EFFICIENCY PROGRAM PLAN (THREE-YEAR : DOCKET NO. 5076
PLAN) & 2021 ANNUAL ENERGY EFFICIENCY :
PROGRAM PLAN (ANNUAL PLAN) :

PRE-FILED DIRECT TESTIMONY OF
BECCA TRIETCH
ON BEHALF OF THE
RHODE ISLAND OFFICE OF ENERGY RESOURCES

NOVEMBER 16, 2020

1 **Q. Ms. Trietch, please state your name, title and place of work.**

2 A. My name is Becca Trietch. I am an Administrator at the Rhode Island Office of
3 Energy Resources (“OER”).

4 **Q. Please describe your education and professional experience.**

5 A. I received a Bachelor of Science degree in mechanical engineering from Yale University
6 in 2013, a master’s degree in environmental science and management from the University
7 of Rhode Island in 2015 and am currently enrolled as a doctoral candidate in a law &
8 policy program at Northeastern University. I have worked at OER for over five years and
9 have been the energy efficiency policy lead since 2017.

10 **Q. Did you review the 2021 Annual Energy Efficiency Program Plan and the 2021-2023**
11 **Three-Year Energy Efficiency Program Plan?**

12 A. Yes, I reviewed both plans as part of OER’s process in deciding whether to become a
13 settling party.

14 **Q. Does OER support the 2021 Annual Energy Efficiency Program Plan as filed?**

15 A. Yes.

16 **Q. Does OER support the 2021-2023 Three-Year Energy Efficiency Program Plan as**
17 **filed?**

18 A. Yes.

19 **Q. Are you sponsoring any attachments through this testimony?**

20 A. Yes. Attached is a letter from OER describing our support of the 2021 Annual and 2021-
21 2023 Three-Year Energy Efficiency Program Plans. The letter describes many of the
22 reasons OER chose to become a settling party to these plans and encourages the
23 Commission to approve the Plans as filed.

1 **Q. Will you be available for further questions from the Commission during the**
2 **scheduled hearings?**

3 A. Yes.

4 **Q. Does this conclude your testimony?**

5 A. Yes.

ATTACHMENTS

OER Letter - Re: Docket #5076 – 2021-2023 Energy Efficiency Program Plan (Three-Year Plan)
& 2021 Annual Energy Efficiency Program Plan (Annual Plan) Comments

(On Pages to Follow)



November 11, 2020

Chairperson Ronald Gerwatowski
Commissioner Marion Gold
Commissioner Abigail Anthony
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Re: Docket #5076 – 2021-2023 Energy Efficiency Program Plan (Three-Year Plan) & 2021 Annual Energy Efficiency Program Plan (Annual Plan) Comments

Dear Commissioners:

The Rhode Island Office of Energy Resources (OER) submits these comments regarding National Grid's proposed 2021 Energy Efficiency Program Plan (Annual Plan) and 2021-2023 Energy Efficiency Program Plan (Three-Year Plan) (together, the Plans), as filed on October 15, 2020.

OER supports both Plans as submitted by National Grid and encourages the Commission to approve the Plans as filed. The record demonstrates that the Plans meet the requirements of Rhode Island's Least-Cost Procurement law and will provide substantial benefits to ratepayers. Based on the Rhode Island Test, the energy efficiency (EE) programs planned for delivery in 2021 will support \$751.4 million in benefits over the lifetime of the installed measures – benefits that include, but not limited to, energy cost savings, greenhouse gas emission reductions, and economic growth opportunities. This represents a 4.31 benefit-cost (BC) ratio for the electric programs, a 3.99 BC ratio for the natural gas portfolio, and an 8.38 BC ratio for the demand response programs.

In making a recommendation for approval, OER has considered alignment with the State Energy Plan, the Rhode Island Greenhouse Gas Emissions Reduction Plan, Governor Raimondo's Heating Sector Transformation Executive Order (EO 19-06) and 100% Renewable Electricity Executive Order (EO 20-01), broader state energy policy goals, anticipated customer bill impacts, and customer equity and access. The aggressive pursuit of all cost-effective energy efficiency is critical to achieving the state's decarbonization goals, ensuring long-term energy security and affordability, and growing Rhode Island's local clean energy economy.

Balancing the need to achieve these important, long-term benefits with current economic constraints stemming from the global COVID pandemic, the 2021 Annual Plan proposes holding the system benefit charge flat at the 2020 level. We recognize that this approach is a departure from precedent, but these are unprecedented times for Rhode Island families and businesses. In light of the significant economic uncertainty facing our state, OER supports the proposed 2021 system benefit charge as it avoids short-term, direct utility bill increases for ratepayers, while



maintaining momentum toward achieving long-term decarbonization and clean energy economy goals. OER will reassess the balancing of these factors as public health improves and our economy strengthens in the year ahead. We also acknowledge that cost-effective achievement of our state's clean energy and environmental goals will necessitate robust energy efficiency investments. National Grid's Three-Year Plan provides a near-term roadmap to ramp these efforts as the current public health crisis abates.

In addition to reducing long-term energy costs and greenhouse gas emissions, these Plans also support several critical Docket 4600 goals and principles, including, but not limited to:

- Providing reliable, safe, clean and affordable energy to Rhode Island customers;
- Strengthening the Rhode Island economy;
- Addressing climate change;
- Supporting energy investments with clear net benefits;
- Appropriately compensating the distribution utility for the services provided; and
- Aligning stakeholder interests through the regulatory framework.

Substantial progress toward aligning National Grid's EE shareholder earnings with a shared-benefits framework has also been made. Starting in 2021, if approved, the Company earnings would be based on net benefits achieved by sector. The focus on net benefits is intended to promote cost-efficiency while also encouraging the accurate quantification of all achieved benefits. Maintaining a focus on sector-level achievement – versus portfolio or program-level achievement – is intended to provide the Company with reasonable program-level flexibility while still ensuring accountability in serving all customer classes. Furthermore, a higher earning rate was proposed for net benefits achieved in the income eligible sector, which OER believes will ensure sustained Company effort in serving Rhode Island's most economically vulnerable customers. Beyond 2021, OER is also supportive of the proposed renter metric that would be incorporated into National Grid's performance incentive mechanism. Although details of this proposal will need to be further developed for the 2022 Annual Plan, OER recognizes that renters often represent a variety of historically underserved and marginalized groups such as People of Color, immigrants, those who speak a language other than English, and income eligible ratepayers. Therefore, establishing a baseline for renters served in 2021 is a critical step to improving long-term program equity.

Likewise, the establishment of an equity working group, as well as the completion of a non-participant study in 2021 to determine which customers have not participated in EE previously and why, are essential to improving access to and participation in energy efficiency programs. To equitably serve all customers, National Grid must hear from underserved and marginalized groups about their needs and challenges, and collaborate with them on solutions. OER looks forward to the programmatic innovations expected to be identified through these efforts.

Lastly, OER applauds the following commitments in the 2021 Annual Plan, which support critical State policy goals such as workforce development, greenhouse gas emission reductions, and equity:



- On-going equal incentives for natural gas, electric, and delivered fuels weatherization to ensure that all buildings are equally incentivized to improve their envelopes.
- Coordination with other programs to overcome pre-weatherization barriers such as lead, knob & tube wiring, and mold, which have been identified as the main barriers.
- On-going 100% landlord incentives to help overcome the tenant-landlord barrier while further research is conducted to determine the best solution(s) for this likely underserved renter market.
- A clear recognition of the need to find other sources of energy savings beyond lighting and to establish long-term relationships with customers to support energy efficiency upgrades whenever the time is right for a customer. Commitments here include tracking the age of customer equipment to allow for timely communication and increased focus on HVAC and hot water equipment upgrades.
- Continued delivery of virtual assessments to ensure customer and vendor safety during COVID and beyond.
- Continued expansion of demand response programs to increase grid flexibility.
- Further exploration of building energy labels to determine if a cost-effective means of incorporating them into program delivery is possible.
- Support for CHP projects that use biofuel blends as a means of improving greenhouse gas emission impacts.
- The continued use of a need-based transfer process for the Efficient Buildings Fund to ensure efficient use of ratepayer dollars.
- Dedicated funds to workforce development efforts supporting the long-term sustainability and capability of Rhode Island's EE programs.
- Incorporation of a Zero Energy Building tier into the new construction program to drive building practices to the highest cost-effective energy-efficiency levels.
- Support for advancing the state's energy code through the 2021 review and adoption process.



STATE OF RHODE ISLAND

OFFICE OF ENERGY RESOURCES

The Plans, as filed, represent a significant amount of work by the utility, state agencies, and valued stakeholders in a time of significant uncertainty. They reflect the results of data-driven decision making – and also compromise – as parties sought to advance effective energy efficiency initiatives and investments, critical state policy goals, continued support of our clean energy economy, and an acknowledgement of kitchen table economic realities. We are confident that these Plans strike an appropriate balance across these factors without compromising on Rhode Island’s ability to achieve aggressive and meaningful cost-effective energy savings over the next three years. For this reason, OER urges the Commission to approve both the 2021 Annual and 2021-2023 Three-Year Energy Efficiency Plans.

Sincerely,

Nicholas S. Ucci
Commissioner