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PRE-FILED DIRECT TESTIMONY OF NATHAN CLEVELAND
STATE OF RHODE ISLAND – OFFICE OF ENERGY RESOURCES

I, Nathan Cleveland, hereby testify under oath as follows:

1. Mr. Cleveland, please state your name, title and place of employment.

My name is Nathan Cleveland. I am a Programming Services Officer at the Rhode Island Office of Energy Resources (“OER”).

2. Please describe your education and professional experience.

I received a Bachelor of Arts degree in Political Science and Government from Tufts University in 2007 and a master’s degree in Sustainability and Environmental Management from Harvard University in 2017. I have worked at OER for one and a half years in the field of energy policy and have been the Chairman of my town’s local energy committee since 2015.

3. Did you review the 2021 Demand Side Management Plan?

Yes, I reviewed the plan as part of OER’s ongoing support of Pascoag Utility District’s energy efficiency efforts.

4. Does OER support the 2021 Demand Side Management Plan as filed?

Yes.

5. Are you sponsoring any attachments through this testimony?

Yes. Attached is a letter that I co-authored describing OER’s support of the 2021 Demand Side Management Plan. In the letter, I help describe many of the reasons why OER supports the Demand Side Management Plan. The contents of the attached letter shall serve as my own testimony.

6. Will you be available for further questions from the Commission during the scheduled hearings?

Yes.

7. Does this conclude your testimony?

Yes.

ATTACHMENT: OER Comment Letter on the 2021 Demand Side Management Plan



December 2, 2020

Ms. Luly Massaro
Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Re: Docket No. 5084: Pascoag Utility District - 2021 Demand Side Management Plan

Dear Commission:

The Office of Energy Resources (OER) respectfully submits these comments in support of Pascoag Utility District's (PUD) 2021 Demand Side Management Plan (2021 DSM Plan or Plan) that was filed with the Public Utilities Commission (Commission) on November 6, 2020 under Docket #5084. OER strongly supports the 2021 DSM Plan and urges the Commission to approve the Plan as filed.

PUD's proposed 2021 DSM Plan is expected to result in substantial cost-effective energy and demand savings, while contributing to PUD's ability to deliver clean, affordable, and reliable energy to local customers. Delivering these energy and bill savings to customers is even more critical in the face of ongoing economic uncertainty related to the COVID-19 pandemic. Moreover, PUD's focus on improving the equity of its DSM programs through a pilot program targeting rental housing, increased engagement with the local Community Action Agency, and targeted marketing will ensure all customers, especially those who are most vulnerable, benefit from DSM measures. OER also supports the Plan because it is well aligned with broad state energy goals including, but not limited to, 100% renewable electricity by 2030, heating sector transformation, the reduction of greenhouse gas emissions, supporting the clean energy economy and jobs, and overall energy affordability and security.

In Spring 2018, OER began a fruitful collaboration with PUD to more thoroughly understand the energy efficiency needs and opportunities in the Pascoag community, and to develop strategies to enhance PUD's existing DSM programs and incentives. These strategies are outlined in Schedule I of PUD's DSM filing and OER commends PUD for their on-going commitment toward achieving those goals. To assist with delivery of robust program enhancements, OER allocated proceeds from the state's 2018-B Regional Greenhouse Gas Initiative (RGGI) Allocation plan supporting PUD's delivery of cost-effective energy efficiency through 2021. In fact, the 2021 DSM Plan intends to leverage \$109,000 of these funds in the coming year.

The 2021 DSM Plan demonstrates PUD's continued commitment to delivering high quality, effective energy efficiency measures, and continual program improvement. During 2020, PUD worked with their DSM implementation vendor to provide remote energy assessments to Pascoag customers during the pandemic. If approved by the Commission, the opportunity for local customers to receive a virtual assessment will remain in place for 2021. PUD also proposes providing competitive pricing quotes for insulation as part of the energy assessment report given to customers, which will facilitate a quicker

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STATE OF RHODE ISLAND
**OFFICE OF
ENERGY RESOURCES**
Commissioner Nicholas Ucci

turnaround for weatherization implementation. Enhanced incentives for insulation and air sealing, which were approved by the Commission in late-September 2020, are also proposed to continue into 2021 as these incentive levels have resulted in improved interest and engagement in both home energy assessments and weatherization work during the on-going pandemic. By maintaining these incentive levels, PUD will help ensure a robust pipeline of projects and the delivery of critical energy savings to customers during these uncertain times.

As a result of lower than anticipated participation levels in 2020 due to the COVID-19 pandemic, PUD is forecasting that significant rollover funds will be available in 2021. PUD proposes to re-invest those funds in the 2021 program in several important ways. First, as mentioned previously, they intend to maintain a 100% incentive and \$3,000 incentive cap for residential customers implementing insulation and air sealing. Secondly, they have proposed an innovative pilot program targeting rental properties within their territory for energy assessments and weatherization. This pilot program would specifically target 1-4 unit rental properties in the utility's service territory and proposes 100% cost coverage for insulation and air sealing measures up to a cap of \$5,000 (to accommodate larger building sizes). By creating this pilot program, PUD seeks to address program equity concerns by overcoming the landlord/tenant split incentive and delivering needed energy savings to a traditionally underserved segment of their customer base. OER strongly supports these proposed program enhancements.

PUD has also recognized the need for flexibility and the ability to adapt and adjust programming within program years as a result of their efforts during the pandemic. As a result, they have proposed new language allowing for in-year budget transfers between programs and between sectors. By allowing a limited degree of budget flexibility, PUD seeks to balance the importance of quickly responding to customer demand and external factors with the need for careful, data-driven planning and the importance of Commission review. OER feels that allowing a degree of budget flexibility, as is found in other utility-administered DSM programs, is prudent, especially in 2021 as uncertainty stemming from the pandemic remains. In conjunction with other enhancements, such as a revamped utility website and more virtual options for program engagement, education, and marketing, the 2021 DSM Plan sets PUD up for success in 2021.

OER is excited to continue its energy efficiency collaboration with PUD. We are confident that Pascoag residents and businesses will realize substantial energy, economic, and environmental benefits as a result of the programs advanced through the 2021 DSM Plan and urge the Commission to approve.

Thank you for your consideration.

Sincerely,

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

Nicholas S. Ucci
Commissioner