Andrew Marcaccio
Senior Counsel

November 15, 2021

VIA ELECTRONIC MAIL

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

RE: Docket 5189 – 2022 Annual Energy Efficiency Program Plan
Responses to PUC Data Requests - Set 2 (Complete Set)

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company"), attached please find the electronic version of the Company's complete set of responses to the Public Utilities Commission's ("PUCs") Second Set of Data Requests in the above referenced docket.[1] Bates stamp has been applied to the attached electronic version.

Thank you for your attention to this filing. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

Sincerely,

Andrew S. Marcaccio

Enclosures

cc: Docket 5189 Service List
John Bell, Division
Margaret Hogan, Esq.
Jon Hagopian, Esq.

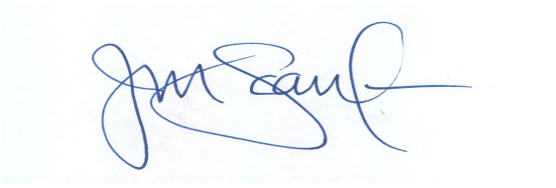
[1] Per the Commission's request, the Company is providing one copy of this transmittal for the Commission's file in this docket and six (6) copies, 3-hole punched for the Commission.

280 Melrose Street, Providence, RI 02907
T: 401-784-4263 ■ andrew.marcaccio@nationalgrid.com ■ www.nationalgrid.com

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



_____ November 15, 2021

Joanne M. Scanlon Date

Docket No. 5189 - National Grid – 2022 Annual Energy Efficiency Program
Service list updated 10/27/2021

Name /Address	E-mail Distribution List	Phone
National Grid Andrew Marcaccio, Esq. National Grid 280 Melrose St. Providence, RI 02907	Andrew.Marcaccio@nationalgrid.com; Jennifer.Hutchinson@nationalgrid.com; Joanne.scanlon@nationalgrid.com; Celia.obrien@nationalgrid.com; Matthew.Chase@nationalgrid.com; Timothy.Roughan@nationalgrid.com; John.Tortorella@nationalgrid.com; Christopher.Porter@nationalgrid.com; BENJAMIN.RIVERS@nationalgrid.com; John.Richards@nationalgrid.com; angela.li@nationalgrid.com; Jessica.Darling@nationalgrid.com; Matthew.Ray2@nationalgrid.com;	401-784-4263
Division of Public Utilities and Carriers Margaret L. Hogan, Esq.	Margaret.L.Hogan@dpuc.ri.gov; Jon.hagopian@dpuc.ri.gov; john.bell@dpuc.ri.gov; Joel.munoz@dpuc.ri.gov;	401-780-2120
Tim Woolf Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	twoolf@synapse-energy.com; jkallay@synapse-energy.com;	
RI EERMC	marisa@desautelesq.com;	401-477-0023

Marisa Desautel, Esq. Office of Marisa Desautel, LLC 55 Pine St. Providence, RI 02903 Mike Guerard, Optimal Energy	mdewey@desautelesq.com; guerard@optenergy.com; ross@optenergy.com;	
Acadia Center Hank Webster, Director & Staff Atty.	HWebster@acadiacenter.org;	401-276-0600 x402
Office of Energy Resources (OER) Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4th Floor Providence, RI 02908 Nick Ucci, Commissioner	Albert.Vitali@doa.ri.gov; Nancy.Russolino@doa.ri.gov; Christopher.Kearns@energy.ri.gov; Nicholas.Ucci@energy.ri.gov ; Becca.Trietch@energy.ri.gov; Carrie.Gill@energy.ri.gov ; Anika.Kreckel.CTR@energy.ri.gov; Nathan.Cleveland@energy.ri.gov;	401-222-8880
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov; John.Harrington@puc.ri.gov; Alan.nault@puc.ri.gov; Todd.bianco@puc.ri.gov ; Emma.Rodvien@puc.ri.gov;	401-780-2107
Interested Party/Individual		
Frederick Sneesby Dept. of Human Services	Frederick.sneesby@dhs.ri.gov;	
Chris Vitale, Esq., RI Infrastructure Bank	cvitale@hvlawltd.com; SUsatine@riib.org;	
Ronald Reybitz Stephen Breininger PPL Electric Utilities	rjreybitz@pplweb.com; skbreininger@pplweb.com;	
Green Energy Consumers Alliance Larry Chretien, Executive Director Kai Salem	Larry@massenergy.org; kai@greenenergyconsumers.org; priscilla@greenenergyconsumers.org;	

PUC 2-1

Request:

The company proposes to hire an additional consumer advocate (see Bates 79).

a. Referring to the 3 existing consumer advocates, please provide:
   i. The date approval was received for the existing advocates.
   ii. The date the company began collecting money in rates for the 3 existing advocates.
   iii. The hiring date(s) of the existing advocates.
   iv. An explanation of any lag between approval of the existing advocates and hiring of the existing advocates.
   v. The typical work load of existing advocates. (i.e., What do they do on any given day? Do they have a set schedule to visit various locales throughout the state? Any additional information that would help to understand the roles/tasks the advocates are performing.)
   vi. What do the existing advocates currently do to promote energy efficiency?
b. Referring to the proposed advocate:
   i. What will the proposed advocate do that the existing advocates are not currently doing or are incapable of doing?
c. What is the annual cost of the existing advocates?

What will be the incremental cost of the additional advocate?

Response:

a. Referring to the 3 existing consumer advocates, please provide:

   i. The date approval was received for the existing advocates.

      The Company's existing advocates were approved by the Public Utilities Commission under Docket No. 4770 on August 24, 2018.

   ii. The date the company began collecting money in rates for the 3 existing advocates.

      The Company began collecting money in rates for these advocates on September 1, 2018.

Prepared by or under the supervision of: Amy Vavak

PUC 2-1, page 2

iii. The hiring date(s) of the existing advocates.

Three advocates were hired on December 17, 2018. One of those new hires resigned in January 2019, after just a few weeks in the position. Another new employee was hired to fill the third advocate position on April 8, 2019.

iv. An explanation of any lag between approval of the existing advocates and hiring of the existing advocates.

The time between the approval of the three advocates and their respective start dates was spent completing the process to recruit and hire candidates that met the qualifications for the positions.

v. The typical work load of existing advocates. (i.e., What do they do on any given day? Do they have a set schedule to visit various locales throughout the state? Any additional information that would help to understand the roles/tasks the advocates are performing.)

Customers with issues affording their bills can connect with advocates to help identify the best solutions to manage their energy costs. Advocates promote the bill payment assistance options available to customers, such as:

- Discounted rates;
- Third-party payment assistance programs, such as the Low-Income Home Energy Assistance Program, RentReliefRI, and Good Neighbor Energy Fund;
- Payment agreements, including the Arrearage Management Program;
- Protections for eligible customers;
- Budget billing;
- Convenient payment options; and
- Energy Efficiency and demand response programs.

Prior to the Covid-19 pandemic the advocates spent the majority of their time in the community working one-on-one with customers, hosting office hours at community organizations, such as Community Action Program agencies and the George Wiley Center, and organizing "Community Expos," which promoted various customer assistance resources, all at one event. Advocates also took referrals from the Company's call center representatives, for customers who needed extensive bill payment support.

Prepared by or under the supervision of: Amy Vavak

PUC 2-1, page 3

To ensure customer and advocate safety during the Covid-19 pandemic, most advocate interactions with customers are currently being hosted electronically through phone calls and emails, but the majority of each advocate's time is still spent working one-on-one with customers that are referred from community organizations and the Company's call center. The information that used to be conveyed at "Customer Expos" is being relayed by the advocates to customers through webinars.

vi. What do the existing advocates currently do to promote energy efficiency?

The advocates promote energy efficiency to customers as one action they can take to make their bills more affordable over the long term.

b. Referring to the proposed advocate:

i. What will the proposed advocate do that the existing advocates are not currently doing or are incapable of doing?

The Company's proposal for an advocate that concentrates on energy efficiency was a result of the Company's effort to meet the specific recommendations made by Energy Efficiency Equity Working Group ("EWG"). The EWG, their discussions, and recommendations for how to make the Company's Energy Efficiency Programs more equitable, are detailed in Section 2.5.1 and Appendix 11 of the Company's 2022 Annual Energy Efficiency Plan ("2022 Annual EE Plan"). As described in Table 7 of Section 2.5.1 of the 2022 Annual EE Plan, the Company believes the energy efficiency focused advocate could help meet the EWG's request for more multilingual staff that can partner with trusted leaders that frequent community gathering places, such as community centers and faith-based organizations.

An advocate that concentrates on energy efficiency could work one-on-one with customers to help them navigate potential energy efficiency program participation barriers, such as landlord/tenant issues or language barriers. The advocate could host energy efficiency events for multi-family housing facilities, landlord trade associations, or in communities that have been determined to have less program participation than others. They could also broaden customer interest and community partnerships in energy efficiency to individuals and organizations whose primary interest is less about saving money, and more about many of the other benefits of energy efficiency, such as economic development or climate mitigation. Although the current advocates could also carry out many of these activities, customer referrals often require them to focus more on customers' immediate bill payment assistance needs.

PUC 2-1, page 4

c. What is the annual cost of the existing advocates?

The annual cost of the three existing advocates, plus a portion of their supervisor's time, is approximately $280,000 per year, in aggregate charged to the Company. This includes base labor plus labor burdens such as pension and post-retirement benefits expense, health care expense, workers' compensation expense, payroll tax expense, group insurance expense, 401k/thrift plan expense, and variable pay.

What will be the incremental cost of the additional advocate?

Please refer to EERMC 1-26, part b. The Company has allocated $93,750 under Residential and Income Eligible Program Planning and Administration (PPA) for an advocate that would begin between March-June 2022. The Company has estimated fully burdened annualized costs for this advocate to be $125,000 or less.

Prepared by or under the supervision of: Amy Vavak

PUC 2-2

Request:

Referring to Slide 2 of the Company's presentation at the October 21, 2021 EERMC meeting, please provide a detailed explanation of how the Company will increase incentives for target measures. (i.e., What was the incentive amount in the original plan and what is the amount in the provisional plan? What measures are affected? Does the Company expect the increased incentives to impact the number of measures installed?)

Response:

The $9,154,400 incentive for the RI Grows, LLC CHP project was primarily reallocated to the incentive budget (both custom and prescriptive), including $4,993,493 for non-lighting measures and $2,984,423 for lighting. The Company forecasts this budget increase will result in an increase of 7,907,325 gross annual kWh and 59,991 net lifetime MWh. (This results from a greater number of measures installed.)

These incremental savings come at a greater cost than the average cost of savings from those measures in the original plan. This is because the Company's original plan was designed to capture the most cost-efficient mix of savings within the target budget, while meeting other objectives described in Least Cost Procurement statute, such as parity among ratepayer classes. In the provisional plan, as the Company no longer realizes savings or incentive spend from the RI Grows Project, moving deeper into the market in pursuit of additional savings from a portfolio of existing measures will require higher incentives to achieve these incremental savings (put another way, the Company believes that the demand curve for energy efficiency is downward sloping, and has constructed the Provisional Plan accordingly).

The tables below show the amount of incentive in the original and provisional plans for each measure with an incentive increase.

Prepared by or under the supervision of: Joshua Kessler

PUC 2-2, page 2

Large Commercial and Industrial New Construction

BCR Measure ID	Original	Provisional	Increase
D2 CAIR	$60,000	$96,000	$36,000
D2 HVAC Prescriptive	$167,900	$271,560	$103,660
Upstream Heat Pump - Ductless	$83,189	$132,561	$49,372
Upstream Heat Pump - Packaged	$180,502	$288,082	$107,579
Upstream HVAC Air Conditioners	$319,585	$503,385	$183,800
Upstream HVAC Controls	$6,413	$10,397	$3,984
Upstream HVAC ECM Pump	$18,374	$29,241	$10,867
Upstream HVAC VRF	$241,937	$382,088	$140,151
D2 Lights	$663,000	$680,000	$17,000
Motors and VFD	$43,750	$69,300	$25,550
Upstream HVAC Refrigeration	$10,450	$16,678	$6,228
Compressed Air - Custom	$678,930	$1,078,300	$399,370
HVAC - Custom	$2,200,845	$3,502,214	$1,301,369
Motors & VFD - Custom	$76,713	$121,125	$44,413
Process - Custom	$514,315	$815,557	$301,242
Refrigeration - Custom	$199,959	$322,040	$122,080
Other - Custom	$64,396	$102,275	$37,880

Large Commercial Retrofit

BCR Measure ID	Original	Provisional	Increase
EI HVAC	$426,419	$682,271	$255,851
EI Light: Prescriptive	$7,354,458	$9,975,611	$2,621,153
EI Light: Upstream A-lines and Decoratives	$49,500	$45,000	-$4,500
EI Light: Upstream Exterior	$287,500	$300,000	$12,500
EI Light: Upstream High/Low Bay	$805,000	$840,000	$35,000
EI Light: Upstream Linear Luminaires	$488,400	$484,000	-$4,400
EI Light: Upstream Retrofit Kits	$178,000	$180,000	$2,000
EI Light: Upstream TLEDs	$63,000	$60,000	-$3,000
Motors and VFD	$780,000	$1,268,000	$488,000
Compressed Air - Custom	$125,806	$197,419	$71,613
HVAC - Custom	$1,748,450	$1,995,896	$247,446
Lighting - Custom	$3,908,170	$4,063,170	$155,000
Motors & VFD - Custom	$97,479	$154,574	$57,095
Process- Custom	$168,314	$269,303	$100,988
Refrigeration - Custom	$437,946	$704,695	$266,749
Other - Custom	$57,420	$91,873	$34,452

PUC 2-2, page 3

Small Business Direct Install

BCR Measure ID	Original	Provisional	Increase
Heat Pumps	$0	$512,500	$512,500
Lighting	$6,343,353	$6,497,023	$153,670
Non-Lighting	$619,239	$704,491	$85,252

The heat pump incentives are the only new measure added for which there was no previous budget. (There was already a line in the BCR model, but no funding allocated through the Small Business Direct Install program.)

PUC 2-3

Request:

Referring to Slide 2 of the Company's presentation at the October 21, 2021 EERMC meeting, please provide a detailed explanation of how the Company will increase staff/vendor support.

Response:

Under the Provisional Plan, the Company is proposing several efforts that would increase staff time or vendor support. The primary focus of these efforts is to diversify the portfolio beyond lighting.

- HVAC Accelerated Replacements - Expand the Upstream HVAC program to encourage early replacement of aging equipment (see detailed description in EERMC 1-8).

- Trade ally engagement - Recruit trade allies (primarily contractors) with expertise in HVAC, controls, and refrigeration technologies to participate in the energy efficiency programs is critical to diversifying the Company's portfolio beyond lighting. This effort would involve building relationships with trade allies, educating them on available efficiency incentives and other program benefits, and breaking down barriers to program participation. This effort will tie in with the new C&I workforce development activities planned for 2022 (see table 9 on Bates 90-91). The Company believes this will contribute to both the installation of more high-efficiency equipment and sophisticated control systems and to a better-trained workforce.

- Commercial real estate (CRE) sector engagement - Many C&I and multifamily properties are owned by third-party investors, and there is enormous energy-efficiency potential in these properties. The Company is proposing to convene a community of primarily local CRE owners to educate landlords on the benefits of energy efficiency upgrades (aesthetics, security, comfort, reduced maintenance, etc.), and for owners to share best practices with each other. The initiative will initially be focused on retail properties/strip malls, with a potential expansion to other sectors such as multifamily and office buildings. This type of community effort has been a vital component of the highly successful Energy Smart Grocer initiative and Quonset Development Corporation partnership. The proposed funds would be used to hire a resource with experience and contacts in the CRE sector to recruit property owners, coordinate events, and help the Company develop and package offerings that better serve the needs of this sector.

Prepared by or under the supervision of: Joshua Kessler

PUC 2-3, page 2

- Additional sales and engineering resources - Achieving deeper savings and diversifying beyond a lighting-oriented portfolio will involve an increasingly complex measure mix. Identifying opportunities for these measures, proposing them to customers, and calculating the resulting savings will require additional resources. These resources could also bring greater expertise in these technologies (HVAC, controls, refrigeration, retro-commissioning, etc.).

- Codes and Standards Expansion - As described in the 2021-2023 Plan (see Bates 216), the Company will seek to influence the 2024 International Energy Conservation Code (IECC) at the national level, which will turn form the basis for Rhode Island's statewide code. Codes and standards (both development and enforcement activities) provide a highly cost-efficient, inherently equitable pathway to generate savings for customers.

PUC 2-4

Request:

Referring to Bates Pages 188, and 197-205, the Company states that '[i]n both the electric and gas HVAC Programs, the HEAT Loan has been added to the Program budget." Please explain how the Heat Loan budget is funded and allocated across the gas and electric budgets.

Response:

Consistent with the funding of the other electric and gas programs, the HEAT Loan funding for the Residential HVAC Programs is collected through the System Benefit Charge.

As discussed in PUC 1-67, the HEAT Loan program is an interest rate buy-down program that makes third-party loan capital available to participating residential customers purchasing qualifying energy efficient equipment at 0% interest to those customers. While loan principal amounts are provided by third-party providers of capital, the cost to the energy efficiency programs are the amounts equal to the present value of anticipated future interest costs that the Company pays up front on behalf of customers when loans are issued.

The Heat Loan budgets for the Residential HVAC Electric and Gas Programs are allocated across the electric and gas budgets based on past participation in the HEAT Loan program for high efficiency HVAC equipment.

Prepared by or under the supervision of: Laura Rodormer

PUC 2-5

Request:

Schedule E-4 (Bates 416) proposes funding of $2,000,000 for C&I Finance Costs. Schedule E-9 (Bates 427) presents the expected activity in the Large C&I Revolving Loan Fund. Given that the expected YE 2021 balance in the Large C&I Revolving Fund is $3,891,451 and the expected YE 2020 balance in the Large C&I Revolving Fund is $845,095, would it be reasonable to reduce funding for C&I Finance on E-4 by $845,095? Please explain your answer. You may provide a schedule of anticipated balances in the Large C&I Revolving Fund by month if you feel it would be helpful.

Response:

The Company believes that planning to maintain a modest buffer within the Large C&I Revolving Fund for the electric sector is a prudent course of action. As noted in National Grid's report for Third Quarter 2021 (see Table 3, Revolving Loan Funds), the fund showed a potential year-end balance of -$382,929 as of September 30. This means the amount paid and committed year to date, net of repayments, already exceeds the available funds. While the Company anticipates some of these projects will actually be completed in 2022 (if at all), it is difficult to forecast the exact remaining amount at year-end. This is particularly true in the current environment, where supply chain delays have introduced risk to project timelines.

The Company targets a year-end balance of at least $1 million, as described in the 2020 Plan (Bates 343):

> In the 2018 EE Annual Plan, National Grid committed to decrease the planned year-end balance in the LC&I OBR revolving fund to an estimated $1M- $3M to help ease budget limitations and better leverage OBR fund dollars, while ensuring that OBR opportunities would exist in future years and comprehensive, multi-year, projects to large commercial customers would be met. In late 2019, the Company will transfer $2.6 million from the LC&I revolving loan fund to the EE fund balance where it will be available for program spend. This is a one-time transfer to right- size the LC&I revolving loan fund so that the remaining balance after projected 2019 and 2020 loans will be $1 million.

Prepared by or under the supervision of: Joshua Kessler and John Richards

PUC 2-5, page 2

In part, maintaining this balance at year end allows the Company to issue loans in Q1 of the following year. If the balance is zero or below, the Company needs to wait for repayments before issuing new loans, this can delay projects to the detriment of customers. In cases with tight timelines (for example, if a customer is recapitalizing a facility or replacing failed equipment), the Company may miss the opportunity to influence these customers.

It should be noted that the Revolving Loan Fund particularly benefits municipal and state government customers, including 66 percent of funds paid or committed year to date through November 8.

PUC 2-6

Request:

Provide a table with the following information for each relevant program from the 2022 energy efficiency plan (the table should allow for the comparison of savings from the original and provisional plan):

- Annual summer peak MWh savings under the original plan
- Annual summer peak MWh savings under the provisional plan
- Lifetime summer peak MWh savings under the original plan
- Lifetime summer peak MWh savings under the provisional plan
- Annual summer off-peak MWh savings under the original plan
- Annual summer off-peak MWh savings under the provisional plan
- Lifetime summer off-peak MWh savings under the original plan
- Lifetime summer off-peak MWh savings under the provisional plan
- Annual winter peak MWh savings under the original plan
- Annual winter peak MWh savings under the provisional plan
- Lifetime winter peak MWh savings under the original plan
- Lifetime winter peak MWh savings under the provisional plan
- Annual winter off-peak MWh savings under the original plan
- Annual winter off-peak MWh savings under the provisional plan
- Lifetime winter off-peak MWh savings under the original plan
- Lifetime winter off-peak MWh savings under the provisional plan

Response:

Please see the tables below for a comparison of the original and provisional plans by program. Commercial ConnectedSolutions and Energy Star Lighting are omitted because they do not have any seasonal peak or off-peak savings.

PUC 2-6, page 2

Commercial New Construction	**Original**	**Provisional**
Annual summer peak MWh	3,525	4,000
Lifetime summer peak MWh	53,103	60,734
Annual summer off-peak MWh	2,259	2,565
Lifetime summer off-peak MWh	34,294	39,224
Annual winter peak MWh	10,178	4,781
Lifetime winter peak MWh	184,718	74,916
Annual winter off-peak MWh	12,207	2,914
Lifetime winter off-peak MWh	231,823	44,830

Commercial Retrofit	**Original**	**Provisional**
Annual summer peak MWh	11,743	12,804
Lifetime summer peak MWh	88,638	97,312
Annual summer off-peak MWh	7,452	8,133
Lifetime summer off-peak MWh	58,105	64,098
Annual winter peak MWh	12,789	13,846
Lifetime winter peak MWh	95,910	104,512
Annual winter off-peak MWh	9,171	9,923
Lifetime winter off-peak MWh	70,450	76,992

Direct Install	**Original**	**Provisional**
Annual summer peak MWh	3,288	3,370
Lifetime summer peak MWh	20,619	21,423
Annual summer off-peak MWh	1,766	1,832
Lifetime summer off-peak MWh	11,216	11,921
Annual winter peak MWh	3,104	3,165
Lifetime winter peak MWh	20,410	20,975
Annual winter off-peak MWh	1,827	1,873
Lifetime winter off-peak MWh	12,203	12,668

PUC 2-6, page 3

Low Income Single Family	**Original**	**Provisional**
Annual summer peak MWh	604	604
Lifetime summer peak MWh	6,817	6,817
Annual summer off-peak MWh	613	613
Lifetime summer off-peak MWh	7,471	7,471
Annual winter peak MWh	1,028	1,028
Lifetime winter peak MWh	11,431	11,431
Annual winter off-peak MWh	1,068	1,068
Lifetime winter off-peak MWh	12,788	12,788

Low Income Multi Family	**Original**	**Provisional**
Annual summer peak MWh	62	62
Lifetime summer peak MWh	488	488
Annual summer off-peak MWh	52	52
Lifetime summer off-peak MWh	442	442
Annual winter peak MWh	633	633
Lifetime winter peak MWh	10,194	10,194
Annual winter off-peak MWh	790	790
Lifetime winter off-peak MWh	13,185	13,185

Residential New Construction	**Original**	**Provisional**
Annual summer peak MWh	137	137
Lifetime summer peak MWh	2,274	2,274
Annual summer off-peak MWh	113	113
Lifetime summer off-peak MWh	1,859	1,859
Annual winter peak MWh	267	267
Lifetime winter peak MWh	4,629	4,629
Annual winter off-peak MWh	350	350
Lifetime winter off-peak MWh	6,184	6,184

PUC 2-6, page 4

EnergyStar HVAC	**Original**	**Provisional**
Annual summer peak MWh	251	251
Lifetime summer peak MWh	3,745	3,745
Annual summer off-peak MWh	224	224
Lifetime summer off-peak MWh	3,352	3,352
Annual winter peak MWh	1,850	1,850
Lifetime winter peak MWh	31,263	31,263
Annual winter off-peak MWh	2,295	2,295
Lifetime winter off-peak MWh	39,357	39,357

EnergyWise	**Original**	**Provisional**
Annual summer peak MWh	534	534
Lifetime summer peak MWh	3,052	3,052
Annual summer off-peak MWh	482	482
Lifetime summer off-peak MWh	2,880	2,880
Annual winter peak MWh	907	907
Lifetime winter peak MWh	3,690	3,690
Annual winter off-peak MWh	866	866
Lifetime winter off-peak MWh	3,850	3,850

EnergyWise Multi Family	**Original**	**Provisional**
Annual summer peak MWh	147	147
Lifetime summer peak MWh	1,742	1,742
Annual summer off-peak MWh	129	129
Lifetime summer off-peak MWh	1,559	1,559
Annual winter peak MWh	522	522
Lifetime winter peak MWh	7,732	7,732
Annual winter off-peak MWh	626	626
Lifetime winter off-peak MWh	9,750	9,750

PUC 2-6, page 5

Behavior Feedback	**Original**	**Provisional**
Annual summer peak MWh	5,113	5,113
Lifetime summer peak MWh	5,113	5,113
Annual summer off-peak MWh	4,061	4,061
Lifetime summer off-peak MWh	4,061	4,061
Annual winter peak MWh	9,429	9,429
Lifetime winter peak MWh	9,429	9,429
Annual winter off-peak MWh	8,249	8,249
Lifetime winter off-peak MWh	8,249	8,249

EnergyStar Appliances	**Original**	**Provisional**
Annual summer peak MWh	1,389	1,389
Lifetime summer peak MWh	9,572	9,572
Annual summer off-peak MWh	1,456	1,456
Lifetime summer off-peak MWh	10,197	10,197
Annual winter peak MWh	1,921	1,921
Lifetime winter peak MWh	13,126	13,126
Annual winter off-peak MWh	2,118	2,118
Lifetime winter off-peak MWh	14,660	14,660

Residential ConnectedSolutions	**Original**	**Provisional**
Annual summer peak MWh	37	37
Lifetime summer peak MWh	37	37
Annual summer off-peak MWh	15	15
Lifetime summer off-peak MWh	15	15
Annual winter peak MWh	5	5
Lifetime winter peak MWh	5	5
Annual winter off-peak MWh	3	3
Lifetime winter off-peak MWh	3	3

PUC 2-7

Request:

Explain why the provisional plan produced a decrease in total winter energy benefits (peak and off-peak) but an increase in total summer energy benefits (peak and off-peak), relative to the original plan.

Response:

The decrease in total winter energy benefits (peak and off-peak) in the provisional plan relative to the original plan can be attributed to the removal of the large CHP project that accounted for a significant volume of peak and off-peak winter energy benefits. These planned winter energy benefits were based on the known intended usage patterns for the CHP project planned by the customer looking to install that system.

The increase in total summer energy benefits (peak and off-peak) in the provisional plan is a result of increased saving commitments across a number of measure categories within the Large Commercial Retrofit program, Large Commercial New Construction program, and the Small Business/Direct Install program resulting from the re-allocation of the originally planned RI Grows incentive dollars. All of the incremental measures are assumed to produce summer energy benefits.

Prepared by or under the supervision of: Daniel Tukey

PUC 2-8

Request:

Explain why propane and water benefits increased under the provisional plan relative to the original plan, despite oil and propane MMBtu savings remaining unchanged between the two. In your response, provide separate estimates of propane benefits and water benefits under both the original and provisional 2022 plans.

Response:

Propane benefits remained the same between the original and provisional plan[1]. Water benefits increased between the original and provisional plan. The "Other Resource" column in Table E-6 includes both propane and water benefits. The increase in this column from the original to provisional plan is due to the increase in water benefits, not from a change in propane benefits. The increase in water benefits is attributed to inclusion of additional savings commitments associated with Large Commercial New Construction and Large Commercial Retrofit custom process measures.

The tables below show a comparison of propane and water benefits between the original and provisional plans.

[1] Provisional plan numbers are based on the corrected Table E-6 filed on 11/5/2021.

PUC 2-8, page 2

Table 1. Propane Benefits – Original vs. Provisional Plan

	Propane Benefits ($)		
	Original Plan	Provisional Plan	% difference
A - Residential	**1,435,793**	**1,435,793**	**0%**
A02a Energy Star Homes	1,295,554	1,295,554	0%
A02b Energy Star HVAC	-16,432	-16,432	0%
A03b Energywise	142,291	142,291	0%
a03b EnergywiseMF	-	-	-
A03c Behavior/Feedback Program	-	-	-
A04a Energy Star Lighting	-	-	-
A04b Energy Star Products	14,380	14,380	0%
C - Commercial & Industrial	**-**	**-**	**-**
C02a Design 2000plus	-	-	-
C03a Energy Initiative	-	-	-
C03b Small Customers under 200kW	-	-	-
B – Low Income	**43,765**	**43,765**	**0%**
B03a Single Family - Appliance Management	43,765	43,765	0%
B03b Low Income Retrofit Multifamily	-	-	-
Grand Total	**1,479,558**	**1,479,558**	**0%**

PUC 2-8, page 3

Table 2. Water Benefits – Original vs. Provisional Plan

	Water Benefits ($)		
	Original Plan	Provisional Plan	% Difference
A - Residential	**173,681**	**173,681**	**0**
A02a Energy Star Homes	8,820	8,820	0%
A02b Energy Star HVAC	-	-	-
A03b Energywise	90,217	90,217	0%
a03b EnergywiseMF	48,232	48,232	0%
A03c Behavior/Feedback Program	-	-	-
A04a Energy Star Lighting	-	-	-
A04b Energy Star Products	26,412	26,412	0%
C - Commercial & Industrial	**34,201**	**40,880**	**20%**
C02a Design 2000plus	4,091	4,935	21%
C03a Energy Initiative	30,110	35,946	19%
C03b Small Customers under 200kW	-	-	-
B - Low Income	**395,335**	**395,335**	**0%**
B03a Single Family - Appliance Management	342,360	342,360	0%
B03b Low Income Retrofit Multifamily	52,975	52,975	0%
Grand Total	**603,217**	**609,897**	**1%**

PUC 2-9

Request:

Explain why CO2 benefits increased under the provisional plan relative to the original plan, despite MWh savings having decreased.

Response:

In the original plan, Rhode Island Grows contributed 27% of planned lifetime MWh savings but only 1% of planned CO2 benefits in the electric portfolio (Attachment 5 tables). Despite having significant CO2 benefits associated with the lifetime MWh energy savings, the resulting on-site gas combustion associated with the RI Grows CHP project also leads to added CO2 emissions (negative CO2 benefits).

The reallocated dollars in the provisional plan provide both additional positive lifetime MWh as well as reduced CO2 emissions (positive CO2 benefits) resulting from additional planned C&I measures. However, the total planned lifetime MWh savings added were lower than the planned MWh savings resulting from the RI Grows project, while the CO2 benefits were higher than those anticipated from the RI Grows project, given that none of the incremental EE measures included in the provisional plan assumed similar natural gas consumption and resulting negative CO2 benefits.

PUC 2-10

Request:

Explain why NOx benefits increased under the provisional plan relative to the original plan, despite MWh savings having decreased.

Response:

The NOx benefits associated with Rhode Island Grows in the original plan were valued at -$1,179,593. The RI Grows negative NOx benefits result from the use of natural gas for both heating as well as the on-site production of the electricity that results in the realized MWh savings. Removal of these negative NOx benefits lead to an increase in the NOx in the provisional plan, even though lifetime MWh savings declined.

Additionally, the reallocated dollars in the provisional plan provide positive NOx benefits from additional C&I measures, further increasing the total NOx benefits in the provisional plan.

Prepared by or under the supervision of: John Richards and Jessica Darling

PUC 2-11

Request:

Explain the difference between utility non-energy impacts and non-resource benefits, as contained in Table E8A-PIM Benefits of the provisional plan. In your response, explain how each is calculated, using what program metrics/determinants.

Response:

Non-resource benefits are quantifiable benefits (beyond energy savings) that are the result of the installation of a measure. Non-resource benefits are also called non-energy impacts (NEIs). NEIs accrue to program participants (e.g. increased comfort and health, improved property values), society at large (e.g. greenhouse gas reductions, improved air quality), and the utility system (e.g. reduced arrearages). NEIs are identified as either one-time or annual benefits and are applied either at per participant or per unit of energy. Please refer to the 2022 Rhode Island Technical Reference Manual (TRM) Appendix B for a comprehensive list of NEIs and methodology for calculation.[1]

Utility non-energy impacts represent a portion of non-resource benefits and are presented separately in Table E8A-PIM Benefits. Utility NEIs for the income eligible sector for arrearage, bad debt write-offs, terminations and reconnections, notices, safety related emergency calls, customer calls and collections, and rate discounts can be categorized as utility system benefits, consistent with the source studies from which those values are derived. These Utility NEIs are shown separately in Table E8A-PIM Benefits.[2]

[1] Refer to the Rhode Island TRM, Appendix B:
http://www.ripuc.ri.gov/eventsactions/docket/1%20PY2022%20RI%20TRM.pdf
[2] This is consistent with the guidance from the PUC and discussions around the PIM in Docket 5076.
http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Response%20to%20Post-Hearing%20Set%202%20(4-27-2021).pdf

PUC 2-12

Request:

Explain why non-resource benefits increased under the provisional plan relative to the original plan.

Response:

The non-resource benefits associated with Rhode Island Grows in the original plan were valued at -$3,708,158.05. The RI Grows non-resource benefits included the annual engine operations and maintenance cost, the CO2 recovery operations and maintenance cost, and the avoided annual bottled CO2 costs. Removal of these negative non-resource benefits lead to an increase in the non-resource benefits in the provisional plan.

Additionally, the reallocated dollars in the provisional plan provide positive non-resource benefits from additional C&I measures, further increasing the total non-resource benefits in the provisional plan.

Prepared by or under the supervision of: Jessica Darling

PUC 2-13

Request:

Referencing in Table E6A-Impacts, please explain how the Company calculates the values for total net savings MMBtu (electric, gas, oil, propane). In your response, describe how the Company incorporates load reduction (kW) values into the total net savings MMBtu estimates.

Response:

Gas, oil, and propane energy savings are tracked and accounted for in MMBtu. For purposes of comparing the total energy savings from those fuels with electric energy savings a total net MMBtu value is also shown in Table E6-A. Electric energy savings are tracked and accounted for in units of MWh. To convert MWh to MMBtu, a MWh value is multiplied by an industry standard conversion factor of 3.412 MWh per MMBtu.[1] Total net MMBtu savings accounts therefore sum the energy savings from gas, oil, propane, and electric in common units.

Load reduction focuses on curtailing or shifting demand away from high cost, peak demand periods. Load reduction (kW) is not included in the total net savings MMBtu estimates.

[1] U.S. Energy Information Administration, Table A6: "Approximate Heat Rates for Electricity, and Heat Content of Electricity." https://www.eia.gov/totalenergy/data/monthly/pdf/sec12_7.pdf;

PUC 2-14

Request:

In its compliance filing from January 29, 2021 in Docket No. 5076 (Attachment 2, Table 2), the Company estimated illustrative 2022 program expenses for the Residential ConnectedSolutions program to be $2,451,000. In the provisional plan filed in Docket No. 5189, the Company proposed $1,802,000 of 2022 Residential ConnectedSolutions program expenses. Please explain what changed between the filing of the compliance filing and the provisional plan that motivated this decrease.

Response:

There were three variables that changed between the 2021 compliance filing for 2022 illustrative budgets and the 2022 provisional plan budgets.

1) The compliance filing from January 29, 2021 included participation for a Connected Solutions electric vehicle component and the 2022 provisional plan budgets did not include this item.
2) The compliance filing from January 29, 2021 forecast battery participation of 450 customers. The 2022 provisional plan includes 300 planned participants.
3) The 2022 provisional plan includes 769 more planned thermostat participants than the January 29, 2021 compliance filing.

The difference in participation accounts for $594,242 of the change between the two budgets. The remainder is due to reductions in Program, Planning, and Administration, Sales, Technical Assistance and Training, and Evaluation between the two filings.

Prepared by or under the supervision of: Angela Li

PUC 2-15

Request:

In its compliance filing from January 29, 2021 in Docket No. 5076 (Attachment 2, Table 2), the Company estimated illustrative 2022 program expenses for the Residential Energy Wise program to be $16,864,300. In the provisional plan filed in Docket No. 5189, the Company proposed $15,765,580 of 2022 Residential Energy Wise program expenses. Please explain what changed between the filing of the compliance filing and the provisional plan that motivated this decrease.

Response:

The decrease in the planned program expenses for the Residential Energy Wise program are driven by decreases in the planned number of home energy assessment and weatherization participants in the 2022 provisional plan relative to the 2022 illustrative estimates in the January 29, 2021 compliance filing.

Prepared by or under the supervision of: Angela Li

PUC 2-16

Request:

In its compliance filing from January 29, 2021 in Docket No. 5076 (Attachment 2, Table 2), the Company estimated illustrative 2022 program expenses for the Large Commercial Retrofit program to be $38,463,600. In the provisional plan filed in Docket No. 5189, the Company proposed $30,308,700 of 2022 Large commercial Retrofit program expenses. Please explain what changed between the filing of the compliance filing and the provisional plan that motivated this decrease.

Response:

The $8,154,900 decrease from the 2022 Large Commercial Retrofit compliance filing relative to the 2022 Large Commercial Retrofit provisional plan can largely be attributed to the removal of $10,642,914 in CHP incentives that was allocated under the Large Commercial Retrofit program at the time of the compliance filing.

In additional to the CHP incentive reductions, the Company also decreased saving commitments and incentives linked to custom lighting and upstream lighting measures between the illustrative totals in the Compliance filing and the planned values in both the original as well as the provisional 2022 Annual Plan filing. This change was the result of recent trends which indicate a decline in savings from custom lighting and upstream lighting measures.

Finally, the Company also increased savings commitments and incentive budgets increased across a number of C&I electric measure categories as a result of the re-allocation of the planned RI Grows CHP project incentive budget between the initial 2022 Annual Plan filing and the ensuing provisional filing. Similarly, corresponding adjustments were made to Program, Planning, and Administration, Sales, Technical Assistance and Training, and Evaluation to account for the re-allocation of the RI Grows CHP project incentive funds.

The aggregate result of all of these changes was the net $8,154,900 delta between the Compliance Filing and the provisional plan.

Prepared by or under the supervision of: Daniel Tukey

PUC 2-17

Request:

Please provide schedules E-1 through E-10 consisting of the Original Plan with the of the $9,154,400 CHP component removed (i.e. no reallocation). (Please also provide in electronic form.)

Response:

Please refer to Attachment PUC 2-17-1 for the requested schedules.

Prepared by or under the supervision of: John Richards

Attachment PUC 2-17

The Company is also providing the Excel version of Attachment PUC 2-17.

Prepared by or under the supervision of: «Prepared_By»

Table E-1 - Attachment PUC 2-17-1
National Grid
Electric DSM Funding Sources in 2022 by Sector
$(000)

		Projections by Sector			
		Income Eligible Residential	**Non-Income Eligible Residential**	**Commercial & Industrial**	**Total**
(1)	**Projected Budget (from E-2):**	**$17,076.5**	**$36,266.5**	**$60,119.1**	**$113,462.1**
	Sources of Other Funding:				
(2)	Projected DSM Commitments at Year-End 2021:	$0.0	$0.0	$0.0	$0.0
(3)	Projected Year-End 2021 Fund Balance and Interest:	$0.0	($7,628.9)	$12,579.2	$4,950.3
(4)	Projected FCM Net Revenue from ISO-NE:	$482.0	$5,723.2	$8,130.1	$14,335.3
(5)	**Total Other Funding:**	**$482.0**	**($1,905.7)**	**$20,709.3**	**$19,285.5**
(6)	**Customer Funding Required:**	**$16,594.5**	**$38,172.2**	**$39,409.9**	**$94,176.5**
(7)	**Forecasted kWh Sales:**	**246,778,762**	**2,930,118,727**	**4,162,361,309**	**7,339,258,798**
(8)	Energy Efficiency Program charge per kWh, excluding uncollectible recovery:				**$0.01283**
(9)	Proposed SRP Opex Factor per kWh, excluding uncollectible recovery:				$0.00000
(10)	Total Proposed Energy Efficiency Charge per kWh, excluding uncollectible recovery:				$0.01283
(11)	Currently Effective Uncollectible Rate				1.30%
(12)	**Proposed Energy Efficiency Program Charge per kWh, including Uncollectible Recovery:**				$0.01299
(13)	Currently Effective Energy Efficiency Program Charge per kwh				$0.01113
(14)	Proposed Adjustment to Reflect Fully Reconciling Funding Mechanism				$0.00186

Notes:
(1) Projected Budget from E-2 includes OER and EERMC costs allocated to each sector based on forecasted sales.
(2) DSM Commitments are projects that are under construction with anticipated completion in 2022.
(3) Fund balance projections include projected revenue and spend through year end with Income Eligible sector set to $0 through projected subsidization from other sectors, minus commitments which are illustrated separately on line (2). The Company proposes to refile this table with updated Fund Balance projections on November 17, 2021 as proposed in Section 10 of the Plan's Main Text.
(4) The total projection of FCM revenue is allocated by kWh sales to each sector. FCM Revenue includes an estimated $250,230 penalty. See prefiled testimony for additional details.
(5) Line (2) + Line (3) + Line (4)
(6) Line (1) - Line (5)
(7) Per Company Forecast
(8) Line (6) ÷ Line (7), truncated to 5 decimal places
(9) Truncated to 5 decimal places
(11) Proposed SRP Opex Factor is $0.00000.
(10) Line (8) + Line (9)
(11) Uncollectible rate approved in Docket No 4770.
(12) Line (10) ÷ (1-Line (11), truncated to 5 decimal places
(13) Currently Effective EE Charge includes System Reliability Factor and uncollectible recovery.
(14) Line (12) - Line (13)

Table E-2 - Attachment PUC 2-17-1
National Grid
2022 Electric Energy Efficiency Program Budget ($000)

	Program Planning & Administration	Marketing	Cost of services and product rebates/incentives provided to customers	Sales, Technical Assistance & Training	Evaluation & Market Research	Total Performance Incentive	Grand Total
Non-Income Eligible Residential							
Residential New Construction	$91.6	$23.6	$800.9	$545.5	$79.9		$1,541.5
ENERGY STAR® HVAC	$95.7	$279.6	$3,324.7	$524.6	$262.3		$4,486.9
Energy*Wise*	$401.8	$373.6	$13,289.6	$1,418.5	$282.0		$15,765.6
Energy*Wise* Multifamily	$100.5	$74.3	$2,613.8	$441.6	$40.4		$3,270.7
Residential Consumer Products	$83.5	$464.3	$1,724.7	$542.4	$22.2		$2,837.1
Home Energy Reports	$55.9	$13.1	$0.0	$2,551.5	$20.8		$2,641.3
Residential ConnectedSolutions	$38.0	$11.3	$1,347.1	$368.4	$37.4		$1,802.2
Energy Efficiency Education Programs	$0.0	$40.0	$0.0	$0.0	$0.0		$40.0
Residential Pilots	$0.0	$0.0	$0.0	$0.0	$0.0		$0.0
Community Based Initiatives - Residential	$33.7	$125.2	$96.2	$0.0	$0.0		$255.1
Comprehensive Marketing - Residential	$1.3	$356.7	$0.0	$0.0	$0.0		$357.9
Residential Performance Incentive	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Subtotal - Non-Income Eligible Residential	**$902.1**	**$1,761.8**	**$23,196.9**	**$6,392.5**	**$744.9**	**$0.0**	**$32,998.3**
Income Eligible Residential							
Single Family - Income Eligible Services	$336.0	$135.0	$10,756.0	$1,965.9	$72.5		$13,265.4
Income Eligible Multifamily	$113.8	$14.1	$3,024.0	$344.1	$39.8		$3,535.8
Income Eligible Performance Incentive	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Subtotal - Income Eligible Residential	**$449.8**	**$149.2**	**$13,780.0**	**$2,310.0**	**$112.3**	**$0.0**	**$16,801.2**
Commercial & Industrial							
Large Commercial New Construction	$291.9	$306.8	$6,654.8	$1,560.1	$432.9		$9,246.4
Large Commercial Retrofit	$732.9	$239.5	$18,529.5	$4,814.15	$816.3		$25,132.4
Small Business Direct Install	$226.1	$244.0	$7,937.2	$306.0	$256.0		$8,969.4
Commercial ConnectedSolutions	$96.1	$6.8	$4,102.6	$180.4	$0.0		$4,386.0
Commercial Pilots	$0.0	$0.0	$0.0	$0.0	$0.0		$0.0
Community Based Initiatives - C&I	$11.2	$41.7	$32.1	$0.0	$0.0		$85.0
Finance Costs	$0.0	$0.0	$2,000.0	$0.0	$0.0		$2,000.0
Commercial Workforce Development	$0.0	$0.0	$0.0	$157.5	$0.0		$157.5
Commercial & Industrial Performance Incentive	$0.0	$0.0	$0.0	$0.0	$0.0	$5,500.0	$5,500.0
Subtotal - Commercial & Industrial	**$1,358.3**	**$838.8**	**$39,256.1**	**$7,018.2**	**$1,505.2**	**$5,500.0**	**$55,476.6**
Regulatory							
OER	$1,911.5	$0.0	$0.0	$0.0	$0.0		$1,911.5
EERMC	$1,274.4	$0.0	$0.0	$0.0	$0.0		$1,274.4
Rhode Island Infrastructure Bank	$0.0	$0.0	$5,000.0	$0.0	$0.0		$5,000.0
Subtotal - Regulatory	**$3,185.9**	**$0.0**	**$5,000.0**	**$0.0**	**$0.0**	**$0.0**	**$8,185.9**
Grand Total	**$5,896.1**	**$2,749.8**	**$81,233.1**	**$15,720.7**	**$2,362.3**	**$5,500.0**	**$113,462.1**

Notes:

(1) 2022 Large Commercial Retrofit Commitments ($000):

(2) For more information on Finance Costs, please refer to Attachment 2, Section 9.

(3) OER and EERMC total 3.0% of customers' EE Program Charge collected on Table E-1, minus 3%.

(4) Finance Costs are detailed in Table E-9. Finance Costs include an injection of $2M into the Large C&I Revolving Loan Fund. Without this injection the Large C&I Revolving Loan Fund is projected to be negative by the end of 2022.

(5) Demonstrations and Assessments budgets are included in specific program level budgets listed above. More information on Demonstration and Assessments descriptions, budgets, and which program level budget they are included in can be found in Attachment 8.

(6) Based on the state's System Reliability and Least Cost procurement statute (amended in 2021), funds transferred to the Rhode Island Infrastructure Bank are now classified under Regulatory costs.

Table E-3 - Attachment PUC 2-17-1
National Grid
Derivation of the 2022 Spending and Implementation Budgets ($000)

	Proposed 2022 Budget From E-2	Commitments	Regulatory Costs	Performance Incentive	Eligible Sector Spending Budget for Performance Incentive on E-8B	Implementation Expenses for Cost-Effectiveness on E-5
Non-Income Eligible Residential						
Residential New Construction	$1,541.5					$1,541.5
ENERGY STAR® HVAC	$4,486.9					$4,486.9
EnergyWise	$15,765.6					$15,765.6
EnergyWise Multifamily	$3,270.7					$3,270.7
Residential Consumer Products	$2,837.1					$2,837.1
Home Energy Reports	$2,641.3					$2,641.3
Residential ConnectedSolutions	$1,802.2					$1,802.2
Energy Efficiency Education Programs	$40.0					$40.0
Residential Pilots	$0.0					$0.0
Community Based Initiatives - Residential	$255.1					$255.1
Comprehensive Marketing - Residential	$357.9					$357.9
Residential Performance Incentive	$0.0			$0.0		$0.0
Subtotal - Non-Income Eligible Residential	**$32,998.3**	**$0.0**	**$0.0**	**$0.0**	**$31,171.3**	**$32,998.3**
Income Eligible Residential						
Single Family - Income Eligible Services	$13,265.4					$13,265.4
Income Eligible Multifamily	$3,535.8					$3,535.8
Income Eligible Performance Incentive	$0.0			$0.0		$0.0
Subtotal - Income Eligible Residential	**$16,801.2**	**$0.0**	**$0.0**	**$0.0**	**$16,801.2**	**$16,801.2**
Commercial & Industrial						
Large Commercial New Construction	$9,246.4	$0.0				$9,246.4
Large Commercial Retrofit	$25,132.4	$0.0				$25,132.4
Small Business Direct Install	$8,969.4	$0.0				$8,969.4
Commercial ConnectedSolutions	$4,386.0					$4,386.0
Commercial Pilots	$0.0					$0.0
Community Based Initiatives - C&I	$85.0					$85.0
Finance Costs	$2,000.0					$2,000.0
Commercial Workforce Development	$157.5					$157.5
Commercial & Industrial Performance Incentive	$5,500.0			$5,500.0		$0.0
Subtotal - Commercial & Industrial	**$55,476.6**	**$0.0**	**$0.0**	**$5,500.0**	**$45,559.6**	**$49,976.6**
Regulatory						
OER	$1,911.5		$1,911.5			$1,911.5
EERMC	$1,274.4		$1,274.4			$1,274.4
Rhode Island Infrastructure Bank	$5,000.0		$5,000.0			$5,000.0
Subtotal - Regulatory	**$8,185.9**	**$0.0**	**$8,185.9**	**$0.0**	**$0.0**	**$8,185.9**
Grand Total	**$113,462.1**	**$0.0**	**$8,185.9**	**$5,500.0**	**$93,532.1**	**$107,962.1**

Notes:
(1) Eligible Sector Spending Budget = Total Budget from E-2 minus commitments, regulatory costs, pilots, assessments, Residential ConnectedSolutions, Commercial ConnectedSolutions, Performance Incentive
(2) Eligible Sector Spending Budget does not include assessments, see Attachment 8 for assessments budgets.
(3) Implementation Expenses = Total Budget from E-2 minus commitments and Performance Incentive.

The Narragansett Electric Company
d/b/a National Grid
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Table E-4 - Attachment PUC 2-17-1
National Grid
Proposed 2022 Budget Compared to Approved 2021 Budget ($000)

	Proposed Implementation Budget 2022	Approved Implementation Budget 2021	Difference
Non-Income Eligible Residential			
Residential New Construction	$1,541.5	$1,611.3	-$69.8
ENERGY STAR® HVAC	$4,486.9	$3,487.8	$999.1
Energy*Wise*	$15,765.6	$15,692.2	$73.4
Energy*Wise* Multifamily	$3,270.7	$2,804.3	$466.4
ENERGY STAR® Lighting	$0.0	$5,274.8	-$5,274.8
Residential Consumer Products	$2,837.1	$2,681.2	$155.9
Home Energy Reports	$2,641.3	$2,641.7	-$0.4
Residential ConnectedSolutions	$1,802.2	$1,920.5	-$118.3
Energy Efficiency Education Programs	$40.0	$40.0	$0.0
Residential Pilots	$0.0	$0.0	$0.0
Community Based Initiatives - Residential	$255.1	$226.2	$28.9
Comprehensive Marketing - Residential	$357.9	$332.7	$25.2
Subtotal - Non-Income Eligible Residential	**$32,998.3**	**$36,712.7**	**-$3,714.3**
Income Eligible Residential			
Single Family - Income Eligible Services	$13,265.4	$12,846.1	$419.3
Income Eligible Multifamily	$3,535.8	$3,549.0	-$13.2
Subtotal - Income Eligible Residential	**$16,801.2**	**$16,395.1**	**$406.2**
Commercial & Industrial			
Large Commercial New Construction	$9,246.4	$8,188.2	$1,058.3
Large Commercial Retrofit	$25,132.4	$31,565.2	-$6,432.9
Small Business Direct Install	$8,969.4	$8,883.6	$85.8
Commercial ConnectedSolutions	$4,386.0	$2,990.1	$1,395.9
Community Based Initiatives - C&I	$85.0	$74.5	$10.4
Commercial Pilots	$0.0	$0.0	$0.0
Finance Costs	$2,000.0	$5,000.0	-$3,000.0
Commercial Workforce Development	$157.5	$0.0	$157.5
Subtotal Commercial & Industrial	**$49,976.6**	**$56,701.6**	**-$6,725.0**
Regulatory			
EERMC	$1,274.4	$738.5	$535.9
OER	$1,911.5	$738.5	$1,173.0
Rhode Island Infrastructure Bank	$5,000.0	$0.0	$5,000.0
Subtotal Regulatory	**$8,185.9**	**$1,477.0**	**$6,708.9**
TOTAL IMPLEMENTATION BUDGET	**$107,962.1**	**$111,286.3**	**-$3,324.3**
OTHER EXPENSE ITEMS			
Commitments	$0.0	$0.0	$0.0
Company Incentive	$5,500.0	$5,500.0	$0.0
Subtotal - Other Expense Items	**$5,500.0**	**$5,500.0**	**$0.0**
TOTAL BUDGET	**$113,462.1**	**$116,786.3**	**-$3,324.3**

Notes:

(1) Program Implementation Budget excludes Commitments, Company Incentive; derived on Table E-3

(2) Total Budget includes Implementation, Commitments; illustrated on Table E-3

(3) The Energy Star® Lighting program year-over-year decrease is due to the phase out of the program in 2022.

(4) The HVAC incentive budget increased by approximately $700,000 due to a 2,065,000 kWh increase in gross annual savings.

(5) The Large Commercial Retrofit program decreased primarily due to roughly a $5,400,000 reduction in lighting incentive due to lower anticipated volume as the market becomes increasingly saturated. The CHP budget also decreased approximately $500,000 because there was a CHP retrofit in the 2021 plan but not 2022.

(6) The increase in the 2022 Commercial and Industrial ConnectedSolutions program budget can be attributed to the higher participation in the Daily Dispatch demand response offering. In total, the customer incentive payments represent approximately 98% of the cost associated with this measure.

(7) The Finance Cost decline is driven by a reallocation of $5M in RIIB from this line to the RIIB line under regulatory due to the updated the Least Cost Procurement statute (amended in 2021).

(8) The increase in allocation of funds to the OER is made consistent with the state's System Reliability and Least Cost procurement statute (amended in 2021), which provides that the Commission shall allocate an amount not to exceed three percent (3.0%) from authorized demand-side management gas and electric funds authorized.

(9) The Rhode Island Infrastructure Bank addition is driven by a reallocation of $5M in RIIB from the Finance Cost Line to the Rhode Island Infrastructure Bank line under the regulatory sector to comply with the Least Cost Procurement statute (amended in 2021).

Table E-5 - Primary - Attachment PUC 2-17-1
National Grid
Calculation of 2022 Program Year Cost-Effectiveness
All Dollar Values in ($000)

	RI Test Benefit/ Cost[1]	Total Benefit	Program Implementation Expenses[2]	Customer Contribution	Performance Incentive	¢/Lifetime kWh
Non-Income Eligible Residential						
Residential New Construction	2.03	$4,232.1	$1,541.5	$547.2		14.0
ENERGY STAR® HVAC	2.31	$14,630.8	$4,486.9	$1,848.5		8.2
Energy*Wise*	1.02	$16,626.6	$15,765.6	$530.6		121.0
Energy*Wise* Multifamily	1.63	$6,189.9	$3,270.7	$532.0		18.3
Home Energy Reports	2.04	$5,401.4	$2,641.3	$0.0		9.8
Residential Consumer Products	2.19	$9,713.3	$2,837.1	$1,606.6		9.3
Residential ConnectedSolutions	1.60	$2,886.0	$1,802.2	$0.0		N/A
Energy Efficiency Education Programs			$40.0			
Residential Pilots			$0.0			
Community Based Initiatives - Residential			$255.1			
Comprehensive Marketing - Residential			$357.9			
Non-Income Eligible Residential SUBTOTAL	**1.57**	**$59,680.0**	**$32,998.3**	**$5,064.9**	**$0.0**	**18.9**
Income Eligible Residential						
Single Family - Income Eligible Services	1.94	$25,758.0	$13,265.4	$0.0		34.4
Income Eligible Multifamily	2.37	$8,368.1	$3,535.8	$0.0		14.5
Income Eligible Residential SUBTOTAL	**2.03**	**$34,126.2**	**$16,801.2**	**$0.0**	**$0.0**	**26.7**
Commercial & Industrial						
Large Commercial New Construction	3.43	$34,249.9	$9,246.4	$742.5		5.2
Large Commercial Retrofit	2.20	$72,910.7	$25,132.4	$8,064.5		10.6
Small Business Direct Install	1.16	$12,596.2	$8,969.4	$1,923.1		16.9
Commercial ConnectedSolutions	2.42	$10,621.2	$4,386.0	$0.0		N/A
Commercial Pilots			$0.0			
Community Based Initiatives - C&I			$85.0			
Finance Costs			$2,000.0			
Commercial Workforce Development			$157.5			
C&I SUBTOTAL	**1.97**	**$130,378.0**	**$49,976.6**	**$10,730.1**	**$5,500.0**	**10.7**
Regulatory						
OER			$1,911.5			
EERMC			$1,274.4			
Rhode Island Infrastructure Bank			$5,000.0			
Regulatory SUBTOTAL			**$8,185.9**			
TOTAL	**1.73**	**$224,184.2**	**$107,962.1**	**$15,795.0**	**$5,500.0**	**14.8**

Notes:
(1) RI Test B/C Test = Total Benefits from Table E-6A / Program Implementation Expenses from Table E-3
Also includes effects of free-ridership and spillover.
(2) For Implementation Expenses derivation, see Table E-3.

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Table E-5 - Secondary - Attachment PUC 2-17-1
National Grid
Calculation of 2022 Program Year Cost-Effectiveness with Economic Benefits Included
All Dollar Values in ($000)

	RI Test Benefit/ Cost[1]	Total Benefit	Program Implementation Expenses[2]	Customer Contribution	Performance Incentive	¢/Lifetime kWh
Non-Income Eligible Residential						
Residential New Construction	3.06	$6,390.2	$1,541.5	$547.2		14.0
ENERGY STAR® HVAC	3.32	$21,002.1	$4,486.9	$1,848.5		8.2
Energy*Wise*	1.92	$31,288.6	$15,765.6	$530.6		121.0
Energy*Wise* Multifamily	2.78	$10,572.6	$3,270.7	$532.0		18.3
Home Energy Reports	3.04	$8,042.7	$2,641.3	$0.0		9.8
Residential Consumer Products	3.16	$14,025.7	$2,837.1	$1,606.6		9.3
Residential ConnectedSolutions	2.43	$4,381.8	$1,802.2	$0.0		N/A
Energy Efficiency Education Programs			$40.0			
Residential Pilots			$0.0			
Community Based Initiatives - Residential			$255.1			
Comprehensive Marketing - Residential			$357.9			
Non-Income Eligible Residential SUBTOTAL	**2.51**	**$95,703.8**	**$32,998.3**	**$5,064.9**	**$0.0**	**18.9**
Income Eligible Residential						
Single Family - Income Eligible Services	2.80	$37,166.3	$13,265.4	$0.0		34.4
Income Eligible Multifamily	3.56	$12,575.8	$3,535.8	$0.0		14.5
Income Eligible Residential SUBTOTAL	**2.96**	**$49,742.1**	**$16,801.2**	**$0.0**	**$0.0**	**26.7**
Commercial & Industrial						
Large Commercial New Construction	6.31	$63,006.3	$9,246.4	$742.5		5.2
Large Commercial Retrofit	6.59	$218,678.4	$25,132.4	$8,064.5		10.6
Small Business Direct Install	2.78	$30,265.9	$8,969.4	$1,923.1		16.9
Commercial ConnectedSolutions	4.61	$20,226.4	$4,386.0	$0.0		N/A
Commercial Pilots			$0.0			
Community Based Initiatives - C&I			$85.0			
Finance Costs			$2,000.0			
Commercial Workforce Development			$157.5			
C&I SUBTOTAL	**5.02**	**$332,177.0**	**$49,976.6**	**$10,730.1**	**$5,500.0**	**10.7**
Regulatory						
OER			$1,911.5			
EERMC			$1,274.4			
Rhode Island Infrastructure Bank			$5,000.0			
Regulatory SUBTOTAL			**$8,185.9**			
TOTAL	**3.70**	**$477,622.8**	**$107,962.1**	**$15,795.0**	**$5,500.0**	**14.8**

Notes:
(1) RI Test B/C Test = Total Benefits from Table E-6A including Economic Benefits / Program Implementation Expenses from Table E-3
Also includes effects of free-ridership and spillover.
(2) For Implementation Expenses derivation, see Table E-3.

Table E-5A - Attachment PUC 2-17-1
National Grid
Calculation of 2022 Program Year Cost-Effectiveness with TRC Test
All Dollar Values in ($000)

	TRC Benefit/ Cost[1]	Total Benefit	Program Implementation Expenses[2]	Customer Contribution	Performance Incentive	¢/Lifetime kWh
Non-Income Eligible Residential						
Residential New Construction	1.61	$3,371.2	$1,541.5	$547.2		14.0
ENERGY STAR® HVAC	1.69	$10,738.0	$4,486.9	$1,848.5		8.2
Energy*Wise*	0.77	$12,563.7	$15,765.6	$530.6		121.0
Energy*Wise* Multifamily	1.35	$5,142.9	$3,270.7	$532.0		18.3
Home Energy Reports	1.38	$3,642.0	$2,641.3	$0.0		9.8
Residential Consumer Products	1.58	$7,013.3	$2,837.1	$1,606.6		9.3
Residential ConnectedSolutions	1.60	$2,882.5	$1,802.2	$0.0		N/A
Energy Efficiency Education Programs			$40.0			0.0
Residential Pilots			$0.0			0.0
Community Based Initiatives - Residential			$255.1			0.0
Comprehensive Marketing - Residential			$357.9			0.0
Non-Income Eligible Residential SUBTOTAL	**1.19**	**$45,353.5**	**$32,998.3**	**$5,064.9**	**$0.0**	18.9
Income Eligible Residential						
Single Family - Income Eligible Services	1.66	$22,034.6	$13,265.4	$0.0		34.4
Income Eligible Multifamily	2.03	$7,186.3	$3,535.8	$0.0		14.5
Income Eligible Residential SUBTOTAL	**1.74**	**$29,220.8**	**$16,801.2**	**$0.0**	**$0.0**	26.7
Commercial & Industrial						
Large Commercial New Construction	2.63	$26,252.5	$9,246.4	$742.5		5.2
Large Commercial Retrofit	1.74	$57,710.4	$25,132.4	$8,064.5		10.6
Small Business Direct Install	0.86	$9,355.6	$8,969.4	$1,923.1		16.9
Commercial ConnectedSolutions	2.42	$10,621.2	$4,386.0			
Commercial Pilots			$0.0			
Community Based Initiatives - C&I			$85.0			
Finance Costs			$2,000.0			
Commercial Workforce Development			$157.5			
C&I SUBTOTAL	**1.57**	**$103,939.8**	**$49,976.6**	**$10,730.1**	**$5,500.0**	10.7
Regulatory						
OER			$1,911.5			
EERMC			$1,274.4			
Rhode Island Infrastructure Bank			$5,000.0			
Regulatory SUBTOTAL			**$8,185.9**			
TOTAL	**1.38**	**$178,514.2**	**$107,962.1**	**$15,795.0**	**$5,500.0**	14.8

(1) TRC B/C Test omits societal benefits that are monetized in the RI Test, including non-embedded emissions (CO2 and Nox), and economic benefits
Also includes effects of free-ridership and spillover.
(2) For Implementation Expenses derivation, see Table E-3.

Table E-6 - Attachment PUC 2-17-1
National Grid
Summary of 2022 Benefits by Program (Energy Efficiency Measures)

	Benefits (000's)																		
			Capacity					Energy					Non Electric				Societal		
								Winter		Summer									
	Total	Total (Economic Excluded)	Summer Generation	Capacity DRIPE	Trans	Dist	Reliability	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	Electric Energy DRIPE	Natural Gas	Oil	Other Resource	Non Resource	Carbon	NOx	Economic
Non-Income Eligible Residential																			
Residential New Construction	$6,390	$4,232	$48	$43	$94	$93	$1	$369	$485	$144	$110	$289	$0	$325	$1,304	$66	$833	$28	$2,158
ENERGY STAR® HVAC	$21,002	$14,631	$182	$159	$357	$353	$2	$2,398	$2,987	$221	$185	$1,833	$55	$1,639	-$16	$384	$3,762	$131	$6,371
Energy*Wise*	$31,289	$16,627	$148	$162	$291	$288	$2	$267	$273	$178	$157	$314	$0	$8,984	$233	$1,267	$3,605	$458	$14,662
Energy*Wise* Multifamily	$10,573	$6,190	$94	$79	$182	$180	$1	$595	$742	$106	$89	$464	$0	$632	$48	$1,931	$1,004	$43	$4,383
Home Energy Reports	$8,043	$5,401	$207	$450	$365	$362	$6	$646	$531	$251	$183	$640	$0	$0	$0	$0	$1,736	$23	$2,641
Residential Consumer Products	$14,026	$9,713	$335	$719	$752	$745	$9	$903	$981	$485	$487	$1,496	$15	$42	$41	$4	$2,663	$37	$4,312
Non-Income Eligible Residential SUBTOTAL	**$91,322**	**$56,794**	**$1,014**	**$1,612**	**$2,041**	**$2,022**	**$21**	**$5,178**	**$5,999**	**$1,385**	**$1,210**	**$5,036**	**$70**	**$11,622**	**$1,609**	**$3,652**	**$13,603**	**$720**	**$34,528**
Income Eligible Residential																			
Single Family - Income Eligible Services	$37,166	$25,758	$275	$253	$541	$536	$3	$874	$967	$410	$423	$801	$77	$5,282	$386	$11,208	$3,428	$295	$11,408
Income Eligible Multifamily	$12,576	$8,368	$22	$19	$43	$43	$0	$789	$1,008	$30	$25	$554	$0	$642	$53	$3,958	$1,137	$45	$4,208
Income Eligible Residential SUBTOTAL	**$49,742**	**$34,126**	**$297**	**$271**	**$584**	**$578**	**$3**	**$1,663**	**$1,975**	**$440**	**$448**	**$1,354**	**$77**	**$5,924**	**$439**	**$15,165**	**$4,565**	**$340**	**$15,616**
Commercial & Industrial																			
Large Commercial New Construction	$63,006	$34,250	$1,336	$1,155	$2,616	$2,592	$14	$4,958	$2,947	$3,158	$1,916	$4,265	-$257	$0	$4	$1,548	$7,898	$100	$28,756
Large Commercial Retrofit	$218,678	$72,911	$2,776	$5,530	$6,172	$6,115	$69	$6,592	$4,728	$4,490	$2,800	$9,914	-$1,887	$0	$30	$10,381	$15,134	$67	$145,768
Small Business Direct Install	$30,266	$12,596	$248	$599	$569	$564	$7	$1,395	$807	$1,018	$519	$2,089	-$400	$0	$0	$1,942	$3,226	$14	$17,670
C&I SUBTOTAL	**$311,951**	**$119,757**	**$4,360**	**$7,284**	**$9,357**	**$9,271**	**$91**	**$12,944**	**$8,482**	**$8,666**	**$5,235**	**$16,268**	**-$2,544**	**$0**	**$34**	**$13,871**	**$26,257**	**$181**	**$192,194**
TOTAL	**$453,015**	**$210,677**	**$5,671**	**$9,167**	**$11,981**	**$11,871**	**$116**	**$19,785**	**$16,456**	**$10,491**	**$6,894**	**$22,659**	**-$2,397**	**$17,547**	**$2,083**	**$32,688**	**$44,426**	**$1,241**	**$242,338**

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Table E-6A - Attachment PUC 2-17-1
National Grid
Summary of 2022 Impacts by Program (Energy Efficiency Measures)

	Load Reduction in kW		Electric Energy Savings MWh		Electric Energy Savings MMBtu		Gas Saved MMBtu		Oil Saved MMBtu		Propane Saved MMBtu		Total Net Savings (Electric, Gas, Oil, Propane) MMBtu	
	Summer	Winter	Annual	Lifetime	Annual	Lifetime	Annual	Lifetime	Annual	Lifetime	Annual	Lifetime	Annual	Lifetime
Non-Income Eligible Residential														
Residential New Construction	74	259	867	14,947	2,957	50,998	-	-	521	13,016	1,321	33,013	4,798	97,027
ENERGY STAR® HVAC	240	1,063	4,620	77,717	15,762	265,169	395	6,012	4,463	67,405	(33)	(424)	20,587	338,161
Energy*Wise*	424	506	2,789	13,472	9,515	45,968	-	-	19,019	364,568	230	3,654	28,764	414,190
Energy*Wise* Multifamily	143	350	1,424	20,783	4,857	70,912	-	-	1,046	25,343	-	-	5,903	96,255
Home Energy Reports	3,692	5,706	26,852	26,852	91,619	91,619	-	-	-	-	-	-	91,619	91,619
Residential Consumer Products	1,118	826	6,885	47,554	23,491	162,256	84	1,672	85	1,683	25	370	23,685	165,981
Non-Income Eligible Residential SUBTOTAL	**5,691**	**8,709**	**43,435**	**201,325**	**148,201**	**686,921**	**478**	**7,684**	**25,133**	**472,014**	**1,543**	**36,614**	**175,356**	**1,203,233**
Income Eligible Residential														
Single Family - Income Eligible Services	480	501	3,314	38,506	11,306	131,383	958	11,562	11,178	214,399	63	1,121	23,505	358,466
Income Eligible Multifamily	49	445	1,538	24,309	5,247	82,943	-	-	1,239	25,915	-	-	6,486	108,858
Income Eligible Residential SUBTOTAL	**529**	**946**	**4,851**	**62,816**	**16,553**	**214,327**	**958**	**11,562**	**12,417**	**240,314**	**63**	**1,121**	**29,991**	**467,324**
Commercial & Industrial														
Large Commercial New Construction	1,745	1,295	12,589	192,343	42,953	656,274	(2,368)	(30,783)	-	-	-	-	40,585	625,491
Large Commercial Retrofit	8,490	7,200	41,132	312,931	140,342	1,067,722	(34,444)	(227,197)	-	-	-	-	105,899	840,524
Small Business Direct Install	904	722	9,976	64,394	34,037	219,711	(8,030)	(48,183)	-	-	-	-	26,007	171,528
C&I SUBTOTAL	**11,139**	**9,216**	**63,696**	**569,668**	**217,332**	**1,943,707**	**(44,842)**	**(306,163)**	**-**	**-**	**-**	**-**	**172,490**	**1,637,544**
TOTAL	**17,359**	**18,872**	**111,983**	**833,808**	**382,086**	**2,844,954**	**(43,406)**	**(286,917)**	**37,550**	**712,329**	**1,607**	**37,735**	**377,837**	**3,308,102**

Notes:
1) Lifetime savings are equal to annual savings multiplied by the expected life of measures expected to be installed in each program.

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Table E-6B - Attachment PUC 2-17-1
National Grid
Summary of 2022 Demand Response Benefits and Savings

	Benefits (000's)															Load Reduction (MW)	MWh Saved	
			Capacity					Energy					Non Electric	Societal				
								Winter		Summer								
	Total	Total (Economic Excluded)	Summer Generation	Capacity DRIPE	Trans	Dist	Reliability	Peak	Off Peak	Peak	Off Peak	Energy DRIPE	Non Resource	Carbon	Economic	Summer	Annual	Lifetime
Non-Income Eligible Residential																		
Residential Connected	$4,382	$2,884	$238	$976	$729	$722	$214	$0	$0	$0	$0	$0	$0	$3	$1,496	7.4	59.4	59.4
Commercial & Industrial																		
Commercial Connected	$20,226	$10,621	$646	$2,651	$3,207	$3,177	$941	$0	$0	$0	$0	$0	$0	$0	$9,605	32.4	0.0	0.0
TOTAL	**$24,608**	**$13,505**	**$884**	**$3,627**	**$3,936**	**$3,899**	**$1,154**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$3**	**$11,101**	**39.8**	**59.4**	**59.4**

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Table E-7 - Attachment PUC 2-17-1
National Grid
Comparison of 2022 and 2021 Goals and Tracking

	Proposed 2022 Goal		Proposed 2022 Tracking				Approved 2021				Difference			
	Lifetime Electric Energy Savings (MWh)	Active Demand Response (kW)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)	Total Net Lifetime Energy Savings (MMBtu)	Planned Unique Participants	Lifetime Electric Energy Savings (MWh)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)	Active Demand Response (kW)	Lifetime Electric Energy Savings (MWh)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)	Active Demand Response (kW)
Non-Income Eligible Residential														
Residential New Construction	14,947		867	74	97,027	462	18,088	979	66		-3,141	-113	8	
ENERGY STAR® HVAC	77,717		4,620	240	338,161	5,229	51,309	3,181	204		26,408	1,439	36	
Energy*Wise*	13,472		2,789	424	414,190	12,000	14,385	2,841	445		-913	-52	-20	
Energy*Wise* Multifamily	20,783		1,424	143	96,255	3,600	16,307	1,240	158		4,476	183	-15	
Home Energy Reports	26,852		26,852	3,692	91,619	323,248	26,852	26,852	3,692		0	0	0	
ENERGY STAR® Lighting	0		0	0	0	0	26,801	11,533	1,872		-26,801	-11,533	-1,872	
Residential Consumer Products	47,554		6,885	1,118	165,981	34,692	38,130	5,926	1,019		9,424	958	100	
Residential ConnectedSolutions		7,365				4,178				5,431		0		1,934
Non-Income Eligible Residential SUBTOTAL	**201,325**	**7,365**	**43,435**	**5,691**	**1,203,233**	**383,409**	**191,872**	**52,553**	**7,455**	**5,431**	**9,453**	**-9,118**	**-1,764**	**1,934**
Income Eligible Residential														
Single Family - Income Eligible Services	38,506		3,314	480	358,466	3,583	36,909	3,120	457		1,598	194	22	
Income Eligible Multifamily	24,309		1,538	49	108,858	3,600	22,545	1,554	70		1,764	-16	-21	
Income Eligible Residential SUBTOTAL	**62,816**		**4,851**	**529**	**467,324**	**7,183**	**59,454**	**4,674**	**527**		**3,361**	**177**	**2**	
Commercial & Industrial														
Large Commercial New Construction	192,343		12,589	1,745	625,491	96	189,441	11,837	1,856		2,902	752	-111	
Large Commercial Retrofit	312,931		41,132	8,490	840,524	2,239	744,562	59,496	11,648		-431,630	-18,364	-3,158	
Small Business Direct Install	64,394		9,976	904	171,528	490	105,134	9,696	1,134		-40,740	**280**	**-230**	
Commercial ConnectedSolutions		32,400				180				33,600				-1,200
C&I SUBTOTAL	**569,668**	**32,400**	**63,696**	**11,139**	**1,637,544**	**3,005**	**1,039,136**	**81,029**	**14,638**	**33,600**	**-469,468**	**-17,332**	**-3,500**	**-1,200**
TOTAL	**833,808**	**39,765**	**111,983**	**17,359**	**3,308,102**	**393,597**	**1,290,462**	**138,256**	**22,621**	**39,031**	**-456,653**	**-26,273**	**-5,262**	**734**

Notes:

(1) Planned 2022 participation takes into account net-to-gross and estimates unique participation by taking into account 2021 unique customer accounts to savings ratios. Therefore the number of planned measures may be more than the estimated participants shown. For measure counts please view the widget tables in Attachments 1 and 2. Table E-7 no longer includes a comparison to the previous year's participation. Due to the way unique participation is calculated it is not possible to compare year-over-year results.

(2) There are additional Low Income participants in Residential New Construction.

(3) A customer can participate in more than one program, for example, Residential Consumer Products and and Home Energy Reports, therefore the population reached can be more than 100%.

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Table E-8A - Attachment PUC 2-17-1
National Grid
2022 Electric PIM Benefits, Allocations, and Categorization ($000)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
			Capacity					Energy			Utility NEIs	Non Electric				Societal		
	Summer Generation	Capacity DRIPE	Transmission	Distribution	Reliability	Winter Peak Energy	Winter Off Peak Energy	Summer Peak Energy	Summer Off Peak Energy	Electric Energy DRIPE	Utility NEIs	Natural Gas and DRIPE	Oil and Oil DRIPE	Propane and Water	Non Resource	Carbon	NOx	Economic
Non-Income Eligible Residential																		
Residential New Construction	$48	$43	$94	$93	$1	$369	$485	$144	$110	$289	$0	$0	$325	$1,304	$66	$833	$28	$2,158
ENERGY STAR® HVAC	$182	$159	$357	$353	$2	$2,398	$2,987	$221	$185	$1,833	$0	$55	$1,639	-$16	$384	$3,762	$131	$6,371
Energy*Wise*	$148	$162	$291	$288	$2	$267	$273	$178	$157	$314	$0	$0	$8,984	$233	$1,267	$3,605	$458	$14,662
Energy*Wise* Multifamily	$94	$79	$182	$180	$1	$595	$742	$106	$89	$464	$0	$0	$632	$48	$1,931	$1,004	$43	$4,383
Home Energy Reports	$207	$450	$365	$362	$6	$646	$531	$251	$183	$640	$0	$0	$0	$0	$0	$1,736	$23	$2,641
Residential Consumer Products	$335	$719	$752	$745	$9	$903	$981	$485	$487	$1,496	$0	$15	$42	$41	$4	$2,663	$37	$4,312
Income Eligible Residential SUBTOTAL	$1,014	$1,612	$2,041	$2,022	$21	$5,178	$5,999	$1,385	$1,210	$5,036	$0	$70	$11,622	$1,609	$3,652	$13,603	$720	$34,528
Income Eligible Residential																		
Single Family - Income Eligible Services	$275	$253	$541	$536	$3	$874	$967	$410	$423	$801	$273	$77	$5,282	$386	$10,935	$3,428	$295	$11,408
Income Eligible Multifamily	$22	$19	$43	$43	$0	$789	$1,008	$30	$25	$554	$340	$0	$642	$53	$3,618	$1,137	$45	$4,208
Income Eligible Residential SUBTOTAL	$297	$271	$584	$578	$3	$1,663	$1,975	$440	$448	$1,354	$613	$77	$5,924	$439	$14,553	$4,565	$340	$15,616
Commercial & Industrial																		
Large Commercial New Construction	$1,336	$1,155	$2,616	$2,592	$14	$4,958	$2,947	$3,158	$1,916	$4,265	$0	-$257	$0	$4	$1,548	$7,898	$100	$28,756
Large Commercial Retrofit	$2,776	$5,530	$6,172	$6,115	$69	$6,592	$4,728	$4,490	$2,800	$9,914	$0	-$1,887	$0	$30	$10,381	$15,134	$67	$145,768
Small Business Direct Install	$248	$599	$569	$564	$7	$1,395	$807	$1,018	$519	$2,089	$0	-$400	$0	$0	$1,942	$3,226	$14	$17,670
C&I SUBTOTAL	$4,360	$7,284	$9,357	$9,271	$91	$12,944	$8,482	$8,666	$5,235	$16,268	$0	-$2,544	$0	$34	$13,871	$26,257	$181	$192,194
Included in PIM? (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	N	N
Percent Application in PIM	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	50%	50%	50%	0%	0%	0%	0%
Category	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Electric Utility System Benefits	Resource Benefits	Resource Benefits	Resource Benefits	NA	NA	NA	NA

Notes
From 2022 Benefit-Cost Model, reflects benefits in Table E-6

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Table E-8B - Attachment PUC 2-17-1
National Grid
2022 Electric PIM Costs

	(1)	(2)	(3)
	Costs ($)		
	Eligible Spending Budget from Table E-3	Regulatory Costs	Total Costs for PIM Calculations
Non-Income Eligible Residential SUBTOTAL	$31,171,270	$2,728,639	$33,899,909
Income Eligible Residential SUBTOTAL	$16,801,227	$2,728,639	$19,529,866
C&I SUBTOTAL	$45,559,568	$2,728,639	$48,288,207
Included in PIM? (Y/N)	Y	Y	Y

Notes
Source is Table E-2 and E-3. Regulatory costs allocated equally to each sector.

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Table E-8C - Attachment PUC 2-17-1
National Grid
2022 Electric PIM and SQA

Sector PI = min{ Payout Cap(j), [Actual Net Benefits* Design Payout Rate(g) * Payout Rate Adjustment(i)] }

Sector	Planned Eligible Benefits		Planned Eligible Costs	Planned Eligible Net Benefits (4)	Design Performance Achievement	Design Performance Payout	Design Payout Rate	Design Payout Rate Thresholds	Payout Rate Adjustments	Payout Cap	Service Quality Metric
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	100% Electric Utility System Benefits	50% Resource Benefits	Eligible Spending Budget + Regulatory Costs	=(a)+(b)-(c)	Net benefits at which design incentive pool is achieved	Set by PUC	=(f)/(e)	Achievement levels at which the Payout Rate Adjustments in (i) will be applied—Set by PUC	Factor to adjust Design Payout Rate for if final program achievement fall within the ranges in (h)—Set by PUC	=1.25*(f)	Yes if (d) ≤ 0; No if (d) >0
										Cap on sector payout regardless of achievement in sector	See Service Quality Table
Non-Income Eligible Residential	$25,517,341	$6,650,701	$33,899,909	-$1,731,867	$2,000,000	$500,000	25%	a. Achievement < 25% b. 25% ≤ Achievement < 50% c. 50% ≤ Achievement < 75% d. 75% ≤ Achievement • Spending > Planned Eligible Costs	a. 0.0 b. Achievement/100 + 0.1 c. Achievement/100 + 0.25 d. 1.0 • See Boundary Rules	$625,000	Yes
Income Eligible Residential	$8,227,538	$3,220,366	$19,529,866	-$8,081,961	$2,000,000	$500,000	25%			$625,000	Yes
Commercial & Industrial	$81,958,194	-$1,255,057	$48,288,207	$32,414,930	$32,414,930	$5,500,000	17%			$6,875,000	No

Sector SQA = Maximum Service Adjustment(e) * Service Achievement Scaling Factor(g)

	Planned Eligible Benefits		Planned Eligible Costs	Design Service Achievement	Maximum Service Adjustment	Service Adjustment Thresholds	Service Achievement Scaling Factors	Achievement Cost Adjustment
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	100% Electric Utility System Benefits	50% Resource Benefits	Eligible Spending Budget + Regulatory Costs	=(a)+(b)	Maximum downward adjustment to earned incentive—Set by PUC	Adjusted Achievement levels at which the Service Adjustments in (e) will be applied; adjustment is calculated in (h)	Factor to scale program achievement that fall within the ranges in (f)	Actual-cost-based adjustment factor applied to achievement. Result is if the difference between achievement and cost variances are greater than 5%, the Actual Achievement will be adjusted for use in
Non-Income Eligible Residential	$25,517,341	$6,650,701	$33,899,909	$32,168,042	$1,251,250	a. Adjusted Achievement < 65% b. 65% ≤ Adjusted Achievement < 95% c. 95% ≤ Adjusted Achievement	a. 1 b. (95-Adjusted Achievement)/30 c. 0	Performance Variance = "Actual Benefits" /"Design Achievement" - "Spending" /"Planned Eligible Cost" If the absolute value (Performance Variance) ≤ 0.05, Then Adjusted Achievement = Actual Achievement Else Adjusted Achievement = Actual Achievement * (1+ Performance Variance)
Income Eligible Residential	$8,227,538	$3,220,366	$19,529,866	$11,447,904	$715,000			
Commercial & Industrial	$81,958,194	-$1,255,057	$48,288,207	N/A	N/A			

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Table E-9 - Attachment PUC 2-17-1
National Grid
Revolving Loan Fund Projections

Large C&I Revolving Loan Fund

(1)	**Total Loan Fund Deposits Through 2021**	**$**	**18,547,780**
(2)	Current Loan Fund Balance	$	7,208,593
	Loans Paid Year-To-Date	*$*	*3,356,693*
	Repayments Year-To-Date	*$*	*2,946,562*
(3)	Projected Additional Loans by Year End 2021	$	5,770,777
(4)	Projected Additional Repayments by Year End 2021	$	2,453,636
(5)	**Projected Year End Loan Fund Balance 2021**	**$**	**3,891,451**
(6)	2022 Fund Injection	$	2,000,000
(7)	**Projected Loan Fund Balance, January 2022**	**$**	**5,891,451**
(8)	Projected Repayments throughout 2022	$	3,881,906
(9)	Estimated Loans in 2022	$	8,928,261
(10)	**Projected Year End Loan Fund Balance 2022**	**$**	**845,095**

Small Business Revolving Loan Fund

(1)	**Total Loan Fund Deposits Through 2021**	**$**	**3,303,570**
(2)	Current Loan Fund Balance	$	2,743,078
	Loans Paid Year-To-Date	*$*	*570,365*
	Repayments Year-To-Date	*$*	*606,588*
(3)	Projected Additional Loans by Year End 2021	$	510,000
(4)	Projected Additional Repayments by Year End 2021	$	275,529
(5)	**Projected Year End Loan Fund Balance 2021**	**$**	**2,508,608**
(6)	2022 Fund Injection	$	-
(7)	**Projected Loan Fund Balance, January 2022**	**$**	**2,508,608**
(8)	Projected Repayments throughout 2022	$	245,746
(9)	Estimated Loans in 2022	$	1,500,000
(10)	**Projected Year End Loan Fund Balance 2022**	**$**	**1,254,353**

Public Sector Revolving Loan Fund

(1)	**Total Loan Fund Deposits Through 2021**	**$**	**54,065**
(2)	Current Loan Fund Balance	$	34,124
	Funds returned to OER	*$*	-
	Repayments Year-To-Date	*$*	*34,052*
(3)	Projected Additional Loans by Year End	$	-
(4)	Projected Additional Repayments by Year End	$	15,523
(5)	**Projected Year End Loan Fund Balance 2021**	**$**	**49,647**
(6)	2022 Fund Injection	$	-
(7)	**Projected Loan Fund Balance, January 2022**	**$**	**49,647**
(8)	Projected Repayments throughout 2022	$	2,945
(9)	Estimated Loans in 2022	$	-
(10)	**Projected Year End Loan Fund Balance 2022**	**$**	**52,592**

Efficient Buildings Fund

(1)	**Energy Efficiency Funds allocated to EBF through 202**	**$**	**27,087,113**
(2)	Total EBF Loans Outstanding	$	55,075,045

Notes

1 Funding injections since loan funds began. Net of any adjustments.

2 Current Loan Fund Balance is through July 2021; it includes all loans and repayments made by July 2021. Public Sector Revolving Loan Fund reduced by transfers to RI PEP Incentives. EBF reports in terms of loans outstanding.

3 Projected Loans from July to Year-End 2021 is estimated based on projects currently under construction that are anticipated to be paid out by year-end. It is difficult to project this amount accurately due to the fact that projects could be delayed by a month or two resulting in payment occurring in 2022 instead of 2021.

4 Projected Repayments from June to Year-End 2021 is estimated based on the monthly average amount of repayments.

5 Equal to (2) - (3) + (4).

6 Fund injection of $2M for the Large C&I Revolving Loan Fund in included under the Finance Cost line in table E-2.

7 Equal to (5) + (6).

8 Assumption based on monthly average repayments in 2021 over 12 month period; repayments accumulate over time and may vary widely.

9 Amount projected to be lent to customers in 2022

10 Equal to (7) + (8) - (9).

11 Efficient Buildings Fund - The 2022 Annual Plan only includes two values for EBF: 1) The Energy Efficiency Funds allocated to EBF through 2021 and also assumes that the $5M allocated to EBF for 2021 will be transferred to RIIB in 2021. 2) Total EBF Loans Outstanding as of July 2021. Additional information is not available because RIIB has informed the Company that, commencing with the 2022 Plan, it will not be providing forward looking projections to the Company regarding EBF. The Company is therefore unable to provide any future projections in the 2022 Annual Plan regarding EBF. The state's System Reliability and Least Cost procurement statute (amended in 2021) directs that $5M shall be transferred to RIIB. However, RIIB has not informed the Company the statuatory $5M transfer to RIIB in 2022 will go to EBF.

Table E-10 - Attachment PUC 2-17-1
National Grid
Rhode Island Electric Energy Efficiency 2003 - 2022
$(000)

Electric	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013[4]	2014	2015	2016	2017	2018	2019	2020[5]	2021[6]	2022[5]
Energy Efficiency Budget ($Million)[1]	$23.1	$22.6	$23.1	$22.4	$22.5	$21.0	$32.4	$37.6	$59.2	$61.4	$77.5	$87.0	$86.6	$87.5	$94.6	$94.6	$107.5	$111.1	$116.8	$113.5
Spending Budget ($Million)[2]	$16.3	$15.8	$17.6	$16.5	$16.4	$14.7	$23.5	$28.8	$45.3	$55.3	$64.8	$80.6	$77.3	$77.6	$88.5	$88.7	$98.1	$101.1	$104.8	$93.5
Actual Expenditures ($Million)[3]	$22.8	$19.5	$23.4	$23.7	$21.9	$19.2	$31.7	$29.7	$40.0	$50.7	$72.9	$85.3	$87.4	$78.4	$94.8	$93.0	$100.7	$88.2		
Incentive Percentage[10]	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	N/A	N/A
Target Incentive[11]	$712,557	$781,959	$774,689	$726,627	$723,000	$647,689	$1,035,943	$1,267,043	$1,992,513	$2,434,131	$3,240,747	$4,032,000	$3,867,400	$3,878,087	$4,425,528	$4,436,022	$4,905,009	$5,054,448	$5,500,000	$5,500,000
Earned Incentive	$712,557	$604,876	$795,648	$760,623	$716,075	$675,282	$1,085,888	$1,333,996	$1,929,273	$2,469,411	$2,997,681	$4,223,321	$4,533,360	$4,128,034	$4,829,847	$4,940,402	$3,290,237	$3,242,675		
Annual Summer Demand kW Savings Goal Achieved (%)				106%	106%	113%	142%	78%	71%	83%	114%	78%	112%	101%	103%	116%	98%	79%		
Annual MWh Energy Savings Goal Achieved (%)				111%	102%	111%	115%	107%	94%	93%	99%	105%	115%	107%	115%	110%	98%	88%		
Energy Efficiency Program Charge ($/kWh)[7]	$0.00200	$0.00200	$0.00200	$0.00200	$0.00200	$0.00200	$0.00320	$0.00320	$0.00526	$0.00592	$0.00876	$0.00911	$0.00953	$0.01077	$0.01124	$0.00972	$0.01121	$0.01323	$0.01113	$0.01299
Annual Cost to 500 kWh/month Residential Customer w/o tax[8]	$12.00	$12.00	$12.00	$12.00	$12.00	$12.00	$19.20	$19.20	$31.56	$35.52	$52.56	$54.66	$57.18	$64.62	$67.44	$58.32	$67.26	$79.38	$66.78	$77.94
Annual Cost to 500 kWh/month Residential Customer w/ tax[9]	$12.50	$12.50	$12.50	$12.50	$12.50	$12.50	$20.00	$20.00	$32.88	$37.00	$54.75	$56.94	$59.56	$67.31	$70.25	$60.75	$70.06	$82.69	$69.56	$81.19

Notes:

(1) Energy Efficiency Budget includes total expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.

(2) Prior to 2017, Spending Budget Eligible for Shareholder Incentive includes: Implementation, Administration, General, and Evaluation Expenses; excludes EERMC and OER Costs, Commitments, Copays, and Outside Finance Costs. Beginning in 2017, Outside Finance Costs were also included. Beginning in 2018 Pilot expenses were also excluded. Beginning in 2019 ConnectedSolutions expenses and assessments were also excluded.

(3) Actual Expenditures is actual spend during calendar year. Includes expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.

(4) In the Company's gas and electric rate cases in docket 4323, the PUC approved the uncollectibles gross-up in the electric EE Program Charge effective February 1, 2013, and a new rate applicable to the gross-up of the gas EE Program Charge, effective February 1, 2013.

(5) 2021 values are planned.

(6) 2022 values are proposed.

(7) Beginning in 2012, the EE Program Charge includes the System Reliability Factor. It does not include the $0.0003 renewables per RI General Laws §39-2-1.2 and Order #19608, which appears on customer bills.

(8) Reflects the annual cost excluding Gross Earnings Tax.

(9) Reflects the annual cost including Gross Earnings Tax.

(10) Incentive percentage not applicable for 2021 due to new performance incentive mechanism developed for the 2021 Annual Plan. See Section 11 of the Main Text of the 2022 Annual Plan for additional details.

(11) Target incentive is calculated in the same way as in 2021 in order to provide a more accurate estimate of the energy efficiency surcharge.

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PUC 2-18, page 1

Request:

For both gas and electric (both provisional and based on schedules provided in response to 2-17), please provide the total potential incentive that the Company could earn if the design payout rate was the same as in 2021.

Response:

Please see Table 1 below for the results of this analysis for the provisional plan. Note that the Provisional Plan did not change the proposed gas filing from the Original Plan.

The Residential and Income Eligible sectors in both the electric and gas portfolios are not projected to create positive PIM-eligible net benefits at design level. In the Proposed PIM for 2022 the Company includes a $500,000 earning opportunity if a performance level of $2,000,000 PIM-eligible net benefits is achieved, for each of these sectors. For purposes of this response those values are not included in the analysis.

In 2021 the Design Level Incentives were as follows: C&I Electric ($5.5 Million); Non-Income Eligible Residential Gas ($100,000); C&I Gas ($1.6 Million). Total design level across both portfolios is $7.2 Million.

Prepared by or under the supervision of: John Tortorella

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Table 1: Total 2022 Potential Incentive Holding Design Payout Rate is the Same as in 2021 (Provisional Plan[1])

Fuel	Sector	2021 Payout Rate[2]	2022 Payout Rate (Provisional Plan)	Total 2022 Design Level Potential Incentive	Total 2022 Maximum Potential Incentive[3]
Electric	Residential			$0	$0
Electric	Income Eligible			$0	$0
Electric	Commercial & Industrial	6.145%	17.416%	$1,940,422	$2,425,527
Electric	**Electric Subtotal**			**$1,940,422**	**$2,425,527**
Gas[4]	Residential	81.867%		$0	$0
Gas	Income Eligible			$0	$0
Gas	Commercial & Industrial	17.132%	19.260%	$1,512,142	$1,890,177
Gas	**Gas Subtotal**			**$1,512,142**	**$1,890,177**
Total	**Total**			**$3,452,563**	**$4,315,704**

Please see Table 2 below for the results of this analysis for the alternate specification of the original electric plan with $9,154,400 associated with the CHP removed and not reallocated, consistent with the request in PUC 2-17. Please note that there were no changes to the gas portfolio and the results are the same as in Table 1.

[1] Source: 2022 provisional plan table E8A-C (http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-2022%20EEP%20Provisional%20Plan%20(10-08-2021).pdf)
[2] Source: PUC Order 24225, Appendix A (http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Ord24225%20(9-21-2021).pdf)
[3] 125% of the total design level potential incentive
[4] Note: the source of gas benefits and costs is the original filed Tables G8A-C, no provisional plan for gas.

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Table 2: Total 2022 Potential Incentive Holding Design Payout Rate to 2021 Plan Level (Original Plan with CHP Removed and Not Reallocated Consistent with PUC 2-17.)

Fuel	**Sector**	**2021 Payout Rate**	**2022 Payout Rate (Original Plan Without Reallocation Consistent with PUC 2-17)**	**Total Design Level Potential Incentive**	**Total Maximum Potential Incentive[5]**
Electric	Residential			$0	$0
Electric	Income Eligible			$0	$0
Electric	Commercial & Industrial	6.145%	16.967%	$1,991,752	$2,489,690
Electric	**Electric Subtotal**			**$1,991,752**	**$2,489,690**
Gas[6]	Residential	81.867%		$0	$0
Gas	Income Eligible			$0	$0
Gas	Commercial & Industrial	17.132%	19.260%	$1,512,142	$1,890,177
Gas	**Gas Subtotal**			**$1,512,142**	**$1,890,177**
Total	**Total**			**$3,503,894**	**$4,379,867**

Note that the design payout rate is not a direct input into the PIM calculation. Instead, this rate is defined as the ratio of the planned performance incentive to the design performance achievement. For the above analysis, the 2021 payout rate was inputted directly, and instead the planned performance incentive (labeled as the total design level potential incentive) was calculated by multiplying the 2021 payout rate by the design performance achievement.

There are changes in the calculation of benefits from 2021 to 2022 that affect the calculation of the payout rate for a given target earning opportunity. In the 2022 Plan the Company applied the updated regional avoided cost study (AESC 2021) to the calculation of benefits for both RI Test and calculation of PIM-eligible benefits. As noted in the response to PUC 1-21 in this docket, some of the changes between AESC 2018 and AESC 2021 included generally lower avoided costs of energy, generally lower avoided costs of capacity, generally lower avoided costs of natural gas, lower energy and capacity DRIPE values, and lower avoided costs for pooled

[5] 125% of the total design level potential incentive
[6] Note: the source of gas benefits and costs is the original filed Tables G8A-C of Attachment 6 of the 2022 Annual Plan (i.e. there is no provisional plan for gas)

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transmission facility costs. All of these changes lead to lower claimable PIM-eligible benefits for fixed levels of energy and demand savings, or required Company effort or level of difficulty associated with achieving planned savings.

The 2022 Plan also applied new evaluation impacts that affect lifetime savings. For the C&I electric sector primarily driven by a weighted 31 percent reduction in the claimable lifetime of C&I lighting measures, with an additional 7 percent reduction due to other lighting impacts (net-to-gross times realization rate).

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Request:

Provide a table with the following information regarding the electric energy efficiency PIM:

a. Value ($) of the PIM-eligible net benefits from the 2021 Plan
b. Value ($) of the PIM-eligible net benefits from the 2022 Original Plan without the $9,154,400 CHP component (i.e. no reallocation)
c. Value ($) of the PIM-eligible net benefits from the 2022 Provisional Plan
d. Value ($) of the PIM-eligible net benefits from the 2021 Plan expressed as a percentage of the Company's proposed $5.5 million performance incentive
e. Value ($) of the PIM-eligible net benefits from the 2022 Original Plan without the $9,154,400 CHP component (i.e. no reallocation) expressed as a percentage of the Company's proposed $5.5 million performance incentive
f. Value ($) of the PIM-eligible net benefits from the 2022 Provisional Plan expressed as a percentage of the Company's $5.5 million performance incentive

Response:

Please refer to the Table 1 below for the requested information related to the electric energy efficiency PIM.

Table 1

Request Component	Value	Notes and Sources
A	$89,510,198	2021 Annual Plan. Refer to PUC Order 24225, Attachment A, Electric Energy Efficiency Performance Incentive table (http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Ord24225%20(9-21-2021).pdf). PIM-eligible Net Benefits from the C&I Sector.
B	$32,414,930	Response to PUC 2-17, Modified 2022 Original Plan with CHP Removed Table E-8C. PIM-eligible Net Benefits from the C&I Sector.
C	$31,579,550	2022 Provisional Plan Table E-8C. PIM-eligible Net Benefits from the C&I Sector.
D	1,627%	Calculated: $89.M ÷ $5.5M
E	589%	Calculated: $32.4M ÷ $5.5M
F	574%	Calculated: $31.6M ÷ $5.5M

Prepared by or under the supervision of: John Tortorella

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While the Company has provided percentages in the format requested in parts D, E, and F of this question, an alternative way to look at these comparisons is through the concept of the "payout rate." This rate represents the share of net benefits that the Company creates through its programs that it is eligible to retain in the form of a performance incentive, calculated by dividing the Company's design level performance incentive pool by planned net benefits. The table below provides the payout rates for parts D, E, and F of the question.

Table 2. Payout Rate Calculations

Request Component	Payout Rate Value	Notes and Sources
D	6.145%	Calculated Payout Rate: $5.5M ÷ $89.M
E	16.967%	Calculated Payout Rate: $5.5M ÷ $32.4M
F	17.416%	Calculated Payout Rate: $5.5M ÷ $31.6M