

Request No.: NYSEG/RG&E-1

Requested By: Debra LaBelle, Chief, Energy Efficiency Programs

Date of Request: 9/1/2015

Reply Due Date: 9/16/2015

Directed To: Joni Fish-Gertz, Manager, Energy Efficiency Programs

Topic: New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation 2016-2018 Budgets and Metrics (BAM) Plan and Energy Efficiency Transition Implementation Plan (ETIP)

Question(s):

1. By company and portfolio, please quantify the specific cost categories included in the Portfolio Administration budget. To the extent possible map those categories to the existing EEPS budget categories.
2. By program, please describe and quantify the specific cost categories included in the Program Implementation budget. To the extent possible, map those categories to the existing EEPS budget categories.
3. For the electric portfolios, please explain what modifications the company intends to implement, other than the proposed reduction to the electric targets in 2016 and increased electric budgets in 2017 and 2018, in order to offset the Technical Resource Manual changes effective January 1, 2016.
4. For the gas portfolios, please explain what modifications the company intends to implement, other than the proposed reduction to the gas targets in 2016-2018 and increased gas budgets in 2017 and 2018, in order to offset the Technical Resource Manual changes effective January 1, 2016.
5. All other utilities have proposed to either maintain or decrease the authorized 2016 dollar per MWh/Dth for 2016 through 2018 period. Please provide the rationale for increasing the cost per MWh/Dth from authorized 2016 levels during 2016 through 2018.
6. For NYSEG's electric portfolio, please provide the company's rationale for allocating approximately 5% of the total annual ETIP budgets to Evaluation, Measurement and Verification (EM&V) when, historically, EEPS EM&V has accounted for approximately 2% of the company's total expenditures and encumbrances and the company is estimating total unspent EEPS Electric EM&V funds to be approximately \$2.5 million (NYSEG Expected Sources of Funds for Future Electric Programs table, page 26), which is approximately 52% of the company's total EEPS Electric EM&V budget.
7. For NYSEG's gas portfolio, please provide the company's rationale for allocating approximately 5% of the total annual ETIP budgets to EM&V when, historically, EEPS EM&V has accounted for approximately 2% of the company's total expenditures and encumbrances and the company is estimating total unspent EEPS Gas EM&V funds to be approximately \$446,000 (NYSEG

Expected Sources of Funds for Future Gas Programs table, page 26), which is approximately 67% of the company's total EEPS Gas EM&V budget.

8. For RG&E's electric portfolio, please provide the company's rationale for allocating approximately 5% of the total annual ETIP budgets to EM&V when, historically, EEPS EM&V has accounted for approximately 2% of the company's total expenditures and encumbrances and the company is estimating total unspent EEPS Electric EM&V funds to be approximately \$1.6 million (RG&E Expected Sources of Funds for Future Electric Programs table, page 27), which is approximately 53% of the company's total EEPS Electric EM&V budget.
9. For RG&E's gas portfolio, please provide the company's rationale for allocating approximately 5% of the total annual ETIP budgets to EM&V when, historically, EEPS EM&V has accounted for approximately 2% of the company's total expenditures and encumbrances and the company is estimating total unspent EEPS Gas EM&V funds to be approximately \$637,000 (RG&E Expected Sources of Funds for Future Gas Programs table, page 27), which is approximately 64% of the company's total EEPS Gas EM&V budget.
10. Please clarify whether the proposed savings targets are net or gross values with supporting rationale. If net, please provide the net to gross factors applied.
11. Please provide the companies' rationale for not setting secondary targets in the 2016-2018 BAM Plan or ETIP.
12. By company and portfolio, please describe the information and historical data the companies used to develop its forecasted expenditures and achievements. Please provide the work papers.
13. By company and portfolio, please provide the work papers supporting the calculation of unspent EEPS funds, with citations to relevant Commission orders.
14. Please disaggregate the information contained in Table 7: Three Year EM&V Activity Expenditures to show the expenditures by company and portfolio.
15. By company, please provide the work papers for program and portfolio benefit cost analyses (BCA). Please ensure that costs such as Portfolio Administration, Portfolio EM&V, and costs recovered through base rates and customer contributions/costs are disaggregated.
16. Please explain why the number of anticipated projects for the rebate component of NYSEG's Non-Residential Electric Program increases after 2016, while the number of anticipated projects for the rebate components of NYSEG's Non-Residential Gas and RG&E's Non-Residential Electric and Gas Programs is expected to remain flat across 2016, 2017 and 2018 (page 39).
17. What, if anything, have the companies done or planned to do to coordinate with the New York State Energy Research and Development Authority (NYSERDA) to ensure the programs work collaboratively rather than competitively with NYSERDA's Clean Energy Fund Programs?
18. Given the expectation that energy efficiency programs will become more innovative and aligned with a REV environment, please describe how the continuation of programs run under EEPS satisfies this expectation beyond a transitional period.
19. To the extent possible, please provide additional detail regarding specific modifications planned for 2017 and 2018 to make programs more aligned with REV principles.
20. Are any of the programs being offered in coordination with other initiatives (e.g. Demand Response programs, REV Demonstration Projects, gas conversion programs, state and federal initiatives, etc.)? If so, describe the relationship and what, if anything is being done to avoid duplicative incentives and double-counting of savings.

21. Please provide a list of programs where, due to system constraint or other reasons, the company intends to offer higher incentives to certain customers.
22. Please provide the assumed install rate for each program/program component that relies on the customers to install the efficiency measures.
23. For each program, please provide the expected timeframe for the project pipeline (i.e., how long it will take an average project to be completed). Include separate expectations for providing final payment and acquiring savings, if different.
24. Please confirm whether or not the company intends to implement the Self-Direct Program in compliance with the CE-03: Self-Direct Program Guidance.