

The Role of Energy Efficiency in the Utility of the Future: Massachusetts' Grid Modernization Approach

Sue Coakley, Executive Director Northeast Energy Efficiency Partnerships September 21, 2015

About NEEP

Mission

Accelerate energy efficiency as an essential part of demand-side solutions that enable a sustainable regional energy system

Vision

Region embraces **next generation energy efficiency** as a core strategy to meet energy needs in a carbon-constrained world

Approach

Overcome markets and transform markets via

Collaboration, Education and Enterprise

One of six regional energy efficiency organizations (REEOs) funded by the US Department of Energy (US DOE) to link regions to US DOE guidance, products and programs







Massachusetts Grid Modernization Timeline and Engagement Process



- July 2013 Grid Modernization Stakeholder Working Group Report
- December 2013 DPU Straw Proposal and Electric Vehicle Investigation (DPU 13-182)
- June 2014 DPU Grid Modernization Order (DPU 12-76-A)
- November 2014 Time Varying Rates (TVR) Framework Order (DPU 14-04)
- August 2015 Utilities File Grid Modernization Proposals
- **Pending** Order on Electric Vehicles
- **Ongoing** DPU Proceedings and Plan Approvals
 - October 2015 Three-Year Statewide Energy Efficiency Plan
 - 2016 Eversource & National Grid Rate Cases

MA Grid Modernization Proceeding

October 2012: DPU 12-76 Order Opened Investigation on Modernization of the Electric Grid

VISION The modern electric system will:

- Be cleaner, more efficient and reliable
- Empower customers to manage and reduce their energy costs
- Advance the state's clean energy goals by maximizing integration of solar, wind, other local renewable sources
- Minimize outages by automatically re-routing power and alerting the utility when lines go down
- Provide customers with tools and information to respond to price signals to use less electricity when prices spike
- Be appropriately sized and less expensive

Mass Grid Mod Homepage:

http://www.mass.gov/eea/energy-utilities-clean-tech/electric-power/grid-mod/gridmodernization.html



MA Grid Modernization Proceeding

October 2012: DPU 12-76 Order Opened Investigation

on Modernization of the Electric Grid

OBJECTIVES

- 1. Reduce the effect of outages
- 2. Optimize demand to reduce system and customer costs
- 3. Integrate distributed resources
- 4. Improve workforce and asset management

"Grid modernization should be an integral component of electric distribution companies' on-going and routine investment and operational plans"

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MA Grid Modernization Proceeding

June 2014: DPU 12-76-B Ordered Utilities to File 10-Year Grid Modernization Plans

AUGUST 2015 - GRID MODERNIZATION PLAN ELEMENTS

- 1. 10-year Strategic Grid Investment Plan to Meet Objectives
- 2. 5-Year Implementation Plan Investments & Cost Recovery
- 3. Comprehensive Advanced Metering Plan
- 4. Customer Marketing & Education
 - Time Varying Rates
 - Load Management Devices and Programs (EE)
 - Marketing and Outreach
- 5. Progress Metrics
- 6. R&D Technology Assessment Process

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Grid Modernization



Eversource Short-Term Investment Plan



Source: Eversource Grid Modernization Filing

Grid Modernization National Grid – Four Options





Grid Modernization Unitil - Enabling Platform Model, Utilizing DERMS





Source: Unitil Grid Modernization Filing



Energy Efficiency Program Impacts

- Expanded efficiency program purposes and scope energy savings, peak reduction/response, distributed generation, energy storage, grid resiliency & reliability, customer education and satisfaction
- Deploying new technologies, rate structures and programs - engaging customers to manage energy use in response to price signals
- Grid Mod Cost Recovery Customer-side devices included in utility EE program plans, part of "Customer Load Management"

CHALLENGES

- integration of all fuels customer-side solutions
- Role of third-party service providers

ADVANCED METERING FUNCTIONALITY (AMF) AND ENERGY EFFICIENCY PROGRAM SYNERGIES





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