

DE 17-136
Lost Base Revenue (LBR) Working Group
June 13, 2018
Key Takeaways

LBR Template as of 6-13-2018 (attached):

The template illustrates the derivation of Program Year 2019 kW savings for the C&I LED Lighting Retrofit End-Use. It incorporates our discussion at the June 13, 2018 working group meeting. It shows the derivation of kW savings for planning purposes. We recognize that the derivation of kW savings for actual reporting purposes will be different; and, in that regard, the Final Draft LBR Report will include an additional section describing that rationale. To save time, I summarize the points of our discussion in the footnotes of the template:

- Derivation of starting point
- Half-Year Convention for kWh savings – i.e., 50% savings occurring in 2019 and 50% in 2020. Considered appropriate for planning purposes and avoids burdensome monthly calculations.
- Savings Degradation
- Maximum Demand Factor (MDF)
- % kW Reduction at Customer Peak
- Various Evaluation Metrics - % Net-to-Gross, % In-Service”, % Realization Rate
- Ratchets
- Retirement Adjustment
- Average Distribution Rate (ADR)

Homework:

- Liberty will circulate any refinements to the ratchet analysis it discussed at the June 13, 2018 working group meeting
- Utilities prepare an additional section for the Final Draft LBR Report describing actual kW savings.
- Final Draft Report will include an additional analysis of “% kW Reduction in Peak” (see Template, line 10) if necessary. The Template (attached) uses Rate GV coupled with data from DNV-GL (ref. Miles Ingram E-mail of June 7, 2018) – i.e., 87%. Eversource indicated it would provide further analysis of the 87% based on review of its curve data for Rate G and Rate LG – i.e., whether or not the analysis indicates difference material enough to warrant a change; or, whether a blended rate would be appropriate; or, perhaps no change. Eversource will try to circulate the analysis within the next two weeks.
- Final Draft Report will be circulated in two weeks (say by June 29, 2018)
- Working Group members will provide comments to Utilities within two weeks (say July 13, 2018) for preparation of Final Report
- If necessary, a conference call could be arranged to iron out any differences, so that the LBR Report can be finalized and incorporated in the 2019 EERS Annual Update.

Posting to Commission Website

Staff will update the Commission’s 6-13-2018 LBR website for the following:

- Key Takeaways
- Liberty’s Ratchet Analysis
- All other Utility Homework, with each embedded document shown separately