

Memo



To: Rhode Island Energy Team
From: EERMC Consultant Team
Date: September 20, 2023
Subject: Remaining Comments to Be Addressed in Final Plan

CONSULTANT TEAM

The EERMC's Consultant Team (C-Team) is appreciative of Rhode Island Energy's (the Company) effort to review and respond to each of the comments we provided on the first drafts of the Three-Year and Annual Energy Efficiency Plans (EE Plans). We look forward to continuing the conversation with the Company after the Plans are filed to work towards addressing any of our outstanding comments in future program planning efforts. In the meantime, we would like to provide the Company with the following set of targeted comments that we hope might be addressed in the time remaining before the Council and other stakeholders consider whether to support the Plans. We have organized our comments into three sections:

- High-Level Overarching Topics
- Program Specific Topics
- BCR Model, TRM, and EM&V Topics

HIGH-LEVEL OVERARCHING TOPICS

Equity

- We had asked a question about the percentage of residential and income-eligible budgets that are being dedicated to underserved populations. The response we received pointed us to Figures 1 and 2 in Section 6.3.2 of the Main Text for a breakdown of spending by sector. While helpful, this isn't representative of what we were hoping to see. We would like to see something more comparable to what the program administrators in [Massachusetts report](#). While we understand it is likely too late to put this together in time for the upcoming EE Plans, we would like to see a commitment from the Company to developing something like this. This could be something that is included as a commitment coming out of (or in addition to) the Equity Working Group's recommendations.
- The eligibility threshold for the Small Business Direct Install program was increased from 1 million annual kWh in electric energy consumption to 1.5 million annual kWh in order to fill the participation gap for "mid-sized" businesses. We requested that this expansion of customer eligibility be coupled with a specific goal for energy savings for the smallest businesses (less than 250,000 annual kWh in electric energy consumption). Even though the expansion does not technically impact the ability of the smallest customers to participate, it may lead vendors to divert resources away from the smaller businesses who already have low participation rates.
 - We would like to see a quantification of the number of additional eligible small businesses and a breakout of customer accounts and consumption sorted by consumption category, as presented during the September 14, 2023 EERMC Meeting ([see slide 11](#)).
- Our comment requesting a commitment from the Company to adopt a roadmap over the course of the upcoming Three Year Plan program cycle to gather data to track a set of measurable equity metrics, set goals, and then set a binding SQA in the EE PIM (in 2024, 2025, and 2026 respectively) was not incorporated in the updated Plan draft. At the EERMC meeting on September 14, the Company indicated they had reviewed the PUC's PIM guidance and concluded that such a component of the EE PIM would not be in alignment with that guidance. However, the Company did

not disclose in the EE plan comment response on what basis they drew this conclusion. The C-Team has reviewed the same guidance document and did not see any reason that an SQA based on agreed-upon metrics for tracking equitable program outcomes would contravene the PUC's guidance. We welcome a conversation or written communication explaining the Company's perspective here, as well as an opportunity to respond to that perspective if necessary. Pending that communication, we continue to feel that a commitment to incorporate the development and inclusion of an equity SQA in the Company's PIM would be aligned with a strong theme of stakeholder input emphasizing the importance of equity in Rhode Island's EE programs, and the importance of measuring and tracking performance with respect to equitable program outcomes.

Workforce Development

- Spending for Workforce Development activities was reduced by roughly half in the latest iteration of the Plan. We understand the intent to leverage existing entities to deliver workforce training, a strategy that has been successfully implemented in places such as Massachusetts. However, the Plan does not include detailed descriptions of the following:
 - How RI Energy will oversee workforce training implemented by other entities to ensure that key areas and technologies are covered comprehensively
 - How much funding will be provided to these entities to provide training
 - What efforts will be conducted to improve workforce diversity, an issue that was identified as a challenge in the Workforce Needs Assessment
- Sufficient detail was provided for trainings related to update state building energy codes, so we would like to see a similar level of detail in other areas

Comparison of Goals to Savings Targets

- As noted during the discussion and C-Team presentation at the September 14th EERMC meeting, the current Annual and Three-Year EE Plans represent investments with strongly favorable cost-effectiveness ratios, significant cost savings for customers relative to procuring additional supply, and robust bill savings over the lifetime of the program's investments that will yield real pocketbook benefits for electric, gas, and delivered fuel customers in Rhode Island. Each of these factors together indicate that energy efficiency is a highly attractive, economically sound investment for Rhode Islanders, which has significant potential to grow, per the EERMC's recent MPS Data Refresh. Without losing sight of the sensitivity to near-term rate impacts that may be present for some stakeholders, we feel that the Company's plans could, and should, seek to invest more in EE in 2024 and subsequent years, driving more energy and pocketbook savings for Rhode Island. We further believe the Company's own analysis of the Plan's impacts presents a strong case for doing more based on the numbers, but that this case is not made in the Plan narrative. We strongly encourage the Company to emphasize the importance of EE for meeting Act on Climate goals, delivering long-term value to customers, and request approval to pursue more EE more rapidly than the plans currently contemplate.
- The Main Text was updated to include references to the Market Potential Study (MPS) Data Refresh, but the Plan does not provide sufficient explanations for the gaps between identified potential and planned savings beyond the budgetary implications of assumptions included in the MPS Refresh. The Company previously mapped the MPS to BCR Models to identify specific measures with additional savings opportunities, but did not comment on why the differences exist or how the gaps could be closed, particularly for measures with high savings potential.

- Additionally, if the Company is able to develop a bottom-up assessment of the savings that could be obtained with an incremental budget allocation, that would be a positive step in effectively assessing the tradeoff between further EE budget allocations and the benefits that would accrue to Rhode Islanders from such an incremental allocation.

Efficacy in the LCP Standards

- The Company's response to our comment regarding the Efficacy component of the LCP Standards may have addressed our comment, but we were not certain, so wanted to confirm our shared understanding. Per the Company's response, *"We recognize that in the short term that capacity building might decrease the savings per dollar and are not precluding these investments based on cost efficiency. We also contend that, over the long term, these types of investments in workforce could increase the savings ratio. We believe both cost efficiency and capability are encompassed in the LCP standard language around efficacy."*
 - As long as the comments about cost efficiency and cost per unit of energy savings relate solely to the impact of investments in building or maintaining program capacity, we have no further concerns. Our initial comment was intended to clarify that there is no guidance associated with the Efficacy component of the LCP Standards that relates directly to cost-efficiency as a requirement for the *portfolio as a whole*. We agree cost-efficiency *for capacity building and workforce development investments* is considered by the Efficacy component of the LCP Standards.

PROGRAM SPECIFIC TOPICS

Income Eligible Single Family

- The Company noted that it is already working with CAP agencies on the process for conducting combined audits so that they can be offered as early as possible. This is a positive step forward. That said, it sounds like based off of comment responses that some CAPs may not be able to transition until later in 2024, so we would like the Plan to speak to this and commit to the following:
 - Specific target dates for when this will begin to be offered and when the Company expects it will become standard practice for all CAPs. Without targets, the timing of this transition appears to be too open ended.
 - Collecting and reporting out on the share of audits that are combined versus separate, so we can see how quickly progress is being made on this shift, and to see if some CAP agencies are responding to this shift better than others.

Multifamily

- It was great to see the additional content regarding the Company's plans to continue to use the newly updated participant/nonparticipant dashboard to better understand the customer profiles of nonparticipants to encourage participation in the multifamily programs. We feel that this could be improved if the Plan spoke more specifically about how the Company is using that data.
- We had provided a comment asking for the Company to consider dedicated program strategies for different multifamily building types, perhaps by building on the work the Company has done in the past to develop some multifamily case studies. In a comment response, the Company confirmed that they do have case studies. We would like to see the Plan commit to building on the work it has done with the case studies and work to research and if appropriate develop sub-program strategies for various Multifamily building types.

HVAC

- We understand from a comment response that the HVAC program plans to use 2024 as a transition year for moving Heat Pump Standards to ENERGY STAR 6.1. We recommend including information about the transition in the Plan itself would be helpful for signaling the Company's intent, and to (hopefully) confirm its plans to be fully transitioned for 2025.

Residential New Construction

- The second draft did not provide additional clarity on the Company's planned transition to all-electric new construction programs. There are no specifics on timing, which leaves the transition too open ended from our perspective. We understand from a comment response that there won't be incentives in 2025 for gas new construction, and we would recommend that be noted explicitly in the Plan itself.

Pre-Weatherization Barriers

- We continue to strongly recommend a commitment towards finding solutions to addressing Pre-Weatherization barriers. We did not see any new detail in the Plan about how the Company might be looking into leveraging EE funds to address these barriers as it stated in the EnergyWise Single Family program description. We did receive comments from the Company citing low program BCRs as a potential hurdle for incorporating support for barrier remediation.
 - While we hear that concern, we would note that actuals BCRs, historically, almost always end up significantly higher than planned, and in the 2020-2022 period, both EW Electric and Gas programs averaged an actual BCR that was about 15% higher than planned.
 - We conducted an analysis, which we can share with and review with the Company, that we believe demonstrates that there is room to offer incremental, dedicated funds for addressing barriers within the program, and we've provided some details on this analysis in the appendix of our presentation to the Council at its September 14th meeting ([see slides 40-42](#)).
 - We understand the Company's hesitation to potentially put pressure on the cost-effectiveness of individual programs, so we recommend the Company include funding for a pilot or demonstration to explore the efficacy of a dedicated barrier remediation initiative for potential integration into future program offerings.

BCR MODEL, TRM, AND EM&V TOPICS

EM&V

- The Code Compliance Enhancement initiative was last evaluated in 2020, so we would like to see a commitment to conducting an impact evaluation in the next Three-Year Plan, especially considering Rhode Island's updated state building energy codes.

Consumer Products

- Plan narrative addressed some of our comments regarding high market shares for certain ENERGY STAR measures, but some of the narrative changes are not fully aligned with Table 3 list of measures and the updated electric BC Models.

- Clothes Dryers, Dehumidifiers, and Room Acs are now “Most Efficient” in narrative, but Table 3 doesn’t reflect this, nor do measures in BC Models or TRM. We would expect updated names and measure assumptions. Presumably moving to the most-efficient versions of these measures would provide a bump to claimable savings per unit.

HVAC

- Plan narrative removed Central Air Conditioners, and comment response indicated the Company is no longer planning to incentivize Central ACs. However, these changes are not fully aligned with Table 3 and Electric BC Models.
 - Both Table 3 and BC Model still show 125 CAC in 2024, along with a number of CoolSmart AC QIV. Small amount, but these should show as 0 and the incentives that were allocated toward these measures reallocated towards others (e.g. central HPs). There also appear to be planned values for 2025.

Gas Incentives

- Pleased to see a significant decrease in incentives for gas heating equipment in HVAC program. We would like to better understand where those funds have been reallocated and what their incremental impact on those areas is expected to be. The Company’s presentation at the September 14th Council meeting seemed to indicate that these funds were being shifted to weatherization, however, the BC Models show no changes in planned quantities of gas weatherization.
- Response to data related question #46 indicated that incentives had been reduced for IE MF Custom Heating measure in the Gas BC model, though planned quantities and total incentives appear to remain unchanged.

BCR Model Program Cost Assumptions

- Due to the way the Participant Cost formulas are set, we flagged instances of negative participant costs. The Company’s response was to adjust TRC in some cases, but we believe this may artificially inflate TRC and thereby impact BCRs. We recommend that the Company revert to the TRC assumptions (assuming they were correct previously) and adjust per quantity incentive levels so that they never exceed TRC except where that is the company’s intent.

BCR Model – Non-Energy Impacts

- We noted several instances in our first draft review where there were inconsistencies with application of NEIs. The Company’s response to these was that they were addressed by adding NEIs to those that should have an NEI, but weren’t allocated an NEI in the first draft. However, upon review of the 9-7-23 version of the BC Models, it appears that in many cases this is still an issue. Table of outstanding issues below.

Fuel	Program	Question	Resolution	Assessment of Response
Electric	EnergyWise MF	Aerator - Other measure has no NEI associated with it, but Aerator - Oil and Aerator - Elec measures have NEI_18, Residential MF Aerator NEI. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.

Electric	Income Eligible MF	Air Sealing - Other measure has no NEI associated with it, but other Air Sealing measures in this program have NEI_46, IE MF Air Sealing. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	EnergyWise MF	Insulation - Other measure has no NEI associated with it, but other Insulation measures in this program have NEI_12, Residential MF Insulation. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	Income Eligible MF	Insulation - Other measure has no NEI associated with it, but other Insulation measures in this program have NEI_47, IE MF Insulation. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	EnergyWise MF	Programmable Thermostat - Elec w/AC measure has no NEI associated with it, but other Programmable Thermostat measure in this program has NEI_19, Residential MF Thermostat. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	Income Eligible MF	Showerhead - Other measure has no NEI associated with it, but Showerhead - Elec in this program has NEI_52, IE MF Showerhead. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	Income Eligible MF	Showerhead - Oil has NEI_50 for IE ME Pipe Wrap assigned to it. Shouldn't this be NEI_52 for IE MF Showerhead?	NEI added	9-7-23 version of Electric BC Model still assigns IE MF Pipe Wrap.
Electric	Income Eligible MF	TSV Showerhead - Other measure has no NEI associated with it, but other TSV Showerhead measures in this program have NEI_52, IE MF Showerhead. Is there a reason this measure wouldn't have the same NEI?	NEI added	9-7-23 version of Electric BC Model does not reflect that the NEI has been added.
Electric	Income Eligible SF	Is there a reason that the Weatherization Other measures doesn't have an NEI, but the Electric and Del Fuel versions (NEI_32) in the electric program and the Gas version (NEI_G25) do?	NEI added	Appears this was added for the measures in 2024 and 2025, but curiously not 2026.
Gas	EnergyWise SF	Are there no NEI's that can be claimed for this measure in the gas program? Note that there are NEIs for the electric, oil, and other version of the measure in the Electric Program.	NEI added	Appears this was added for the gas measures in 2024 and 2026, but curiously not 2025.

BCR Model – Measure Lives

- We noted a couple instances of measure life inconsistencies that appear to have not been addressed/and or had responses that were unresolved. See table below.

Fuel	Program	Question	Resolution	Assessment of Response
Both	RNC	Why are there different measure lives in the electric (11) and gas (12) programs for the same measure?	Historically those have been the measure lives. We will look into to it to see if an adjustment is needed.	No update provided so question remains open. Did they look into this? Any findings?
Electric	RNC	Measure life is 25, but is 15 for all other DHW measures in this program. Suspect measure life for this measure is incorrect.	Measure life for DHW measures are all consistently 15 all other RR measures are 25.	Response is confusing. 9-7-23 version of BC Model shows 15 for all DHW measures in NC program except the RR CP ones. Response seems to indicate that the other RR DHW measures (i.e. Tier 1, 2, 3) should also have 25 yr measure life, but they show up as 15. I'll note that the 9-7-23 version of the TRM indicates a 15 year measure life for all of these measures, so not sure why any of them would have 25 in the BC Model.



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

2024 Energy Efficiency Plan EERMC Consultant Team Review

Presented By: EERMC Consultant Team

Date: September 28, 2023



Outline

Overview

- Key Takeaways
- Portfolio Numbers
- Council Priorities

Sector Highlights

- Commercial & Industrial
- Residential & Income Eligible

Council Discussion & Vote



OVERVIEW





Key Takeaways

RIE provided responses to comments and suggestions ‘To Be Addressed’ as of last Council meeting, rounding out comment responses

C-Team provided detailed memo of remaining feedback on 9/20

RIE participated in follow up conversations at the C-Team’s request

- Included commitment to accelerate development of those equity metrics that are feasible to track in Q4 2023, with first conversation in October. Will build on EWG recommendations, and include consideration of Plan comments.
- Addressed a variety of outstanding flags from BC Model Review



Portfolio Numbers

2024 Electric Portfolio

Electric Lifetime Savings: 2% higher compared to 2022 achievement; 9% higher compared to 2023 Plan

Electric Implementation Budget: 24% higher compared to 2022 spend; 3% higher compared to 2023 Plan

2024 Gas Portfolio

Gas Lifetime Savings : 9% lower compared to 2022 achievement; 7% lower compared to 2023 Plan

Gas Implementation Budget : 11% higher compared to 2022 spend; 8% lower compared to 2023 Plan



Plan is Responsive to Council Priority



Plan is Partially Responsive to Council Priority



Plan is Not Responsive to Council Priority

Council EE Priorities

Council EE Priorities		Assessment
Priority #1	Comply with LCP Standards	✓
Priority #2	Give Due Consideration to Act on Climate	■ ■ ■
Priority #3	Incorporate Stakeholder Input	✓
Priority #4	Ensure an Effective & Efficient Development & Review Process	■ ■ ■
Priority #5	Set Ambitious Three-Year and Annual Plan Savings Goals	■ ■ ■
Priority #6	Increase Participation in Underserved Communities	■ ■ ■
Priority #7	Conduct Targeted Workforce Development	✗

- RIE ‘responsive’ to requests regarding **gas appliances, accelerated equity metric tracking**; incorporation of quantitative feedback expected
- Council may **raise remaining constructive input during this Plan’s docket** or during future EE Plan development cycles

- Support for **codes and standards training a bright spot**
- Overall **plan lacks targeted development and reduced budgets** compared to early drafts
- A critical need to support achieving other goals and obligations in future

More Details in Appendix!



Commercial & Industrial

SECTOR HIGHLIGHTS





Key Commitments

New data tracking system will improve reporting capabilities and provide insights into customer trends beginning in 2024

- The Company has experienced several challenges with its existing data-reporting platform
- Evidence-based approaches required to drive continued savings and refine program design

The Company will **improve technical processes by developing streamlined savings calculators for targeted measures**

- These measures types include heat pumps, heat pump water heaters, Energy Management Systems, and C&I weatherization
- Support programmatic changes to facilitate a seamless customer experience

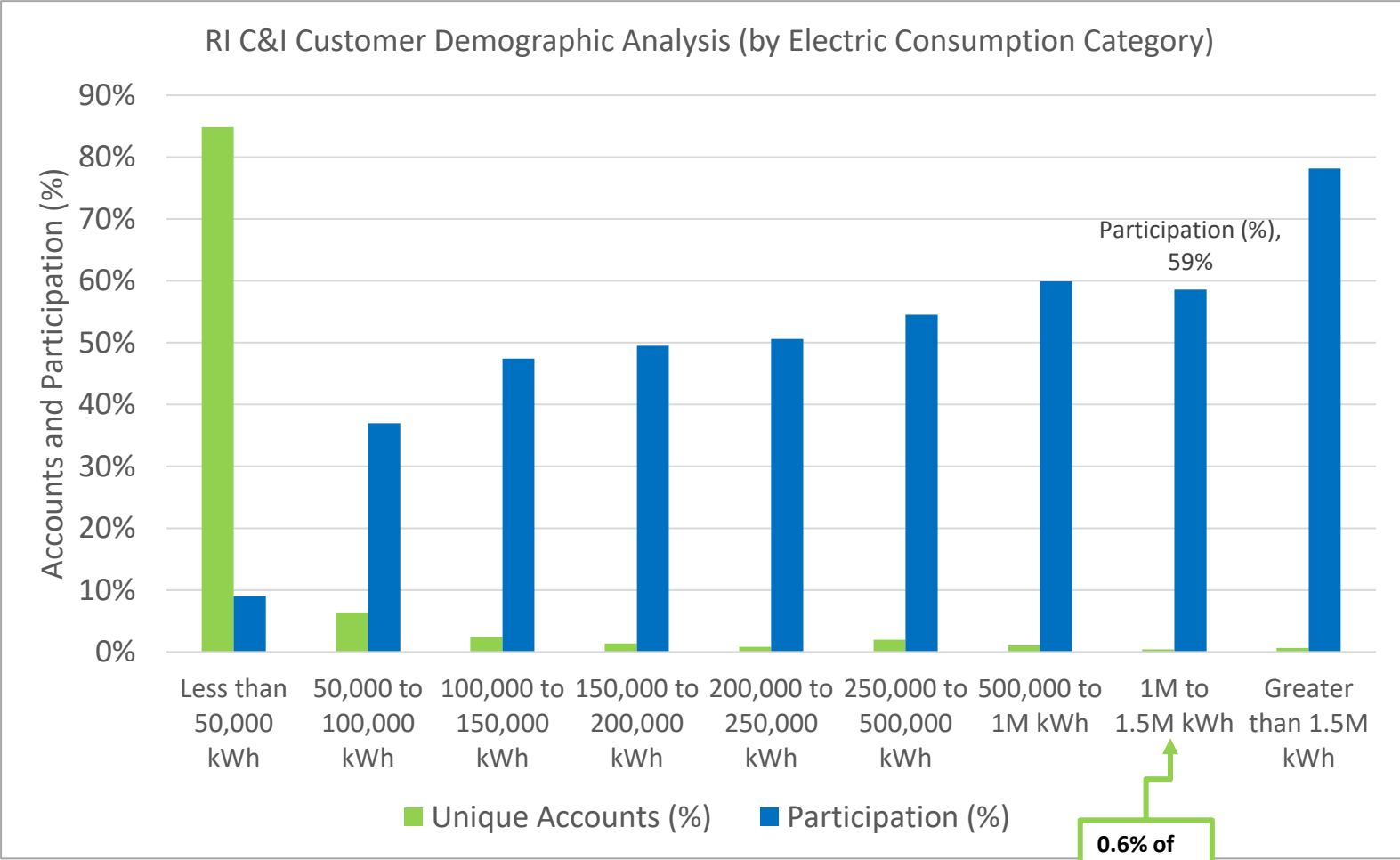


Areas of Improvement

SBDI eligibility threshold expanded from 1.0 to 1.5 million kWh annual consumption.

Expansion is intended to close “participation gap” for customers between 1.0 and 1.5 million kWh

The Company **agreed to report performance by customer demographic** to inform benchmarks, track progress, and avoid future inequity.



Based on 2022 electric consumption



Areas for Improvement

Plan includes summary of takeaways from C&I customer listening session; **C&I customer working group or recurring discussion forum might produce more useful insights**

- Landscape is changing and programs must remain adaptable

More detail required to understand **how state and federal offerings can supplement EE programs without creating confusion** for customers

- OER Clean Heat RI website describes heat pumps for small- to mid-sized businesses, but EE program website unclear about technologies offered through Small Business program
- In general, we want to **integrate offerings and send clear messages to the market**
- Example: RI Energy Small Business **program page only highlights lighting and refrigeration upgrades**, but Clean Heat RI page calls out heat pumps



Residential & Income Eligible

SECTOR HIGHLIGHTS





Key Commitments

Multifamily

- Multifamily Financing Assessment
- Performance based metrics for Lead Vendor

Income Eligible

- Combined home energy assessments
- Residential Equity Outreach Assessment

HVAC

- Commitment to reduce gas equipment incentives
- Removing support for Central ACs

New Construction

- Moving towards all-electric new construction



Areas of Improvement

Multifamily Financing Assessment

- Significant detail added to Demos, Pilots, and Assessments Attachment
- While a firm timeline is not described, it is clear RIE has put thought into this

Income Eligible

- Goal to have all CAPs providing combined assessments to start 2024

Gas Equipment

- Significant reduction in total incentives offered for gas heating and hot water equipment (~\$680k or 40% from first draft)

New Construction

- Commitment to research program redesign options (e.g. Pay-for-Performance)



Areas for Improvement

Multifamily

- More specifics on a strategic plan for how Participant/Non-Participant data dashboard is utilized
- Research and design dedicated strategies for different Multifamily building types

Income Eligible

- Plan for tracking audits that should be combined but aren't early in the year

Pre-Weatherization Barriers

- More attention and detail needed to identify ways in which programs can financially support addressing barriers (e.g. Pilot or Demonstration)

Enhanced Incentives for Moderate Income Customers

- RIE open to discussing and learning about ways income verification could be handled for this in future program designs



PREVIEW OF COUNCIL VOTE





Council's Responsibility

EERMC role and responsibility in potentially endorsing the 2024 Annual EE Plan as described in the LCP Standards:

“

The Council shall vote whether to endorse the Annual EE Plan prior to the prescribed filing date. If the Council does not endorse the Annual EE Plan, the Council shall document its reasons and submit comments on the Annual EE Plan to the PUC for its consideration in final review of the Annual EE Plan.

”



Summary of Plan Vote Options

1. **Endorse the 2024 EE Plan.** Endorsement may also list Council's concerns that didn't prevent endorsement but warrant mentioning in the Plan Docket.
2. **Endorse the 2024 EE Plan,** but decline to join any Settlement of the Parties. Represents a strong statement of the EERMC's concerns.
3. **Not endorse the 2024 EE Plan,** but indicate that if specific condition(s) are met it would be endorsed.
4. **Not endorse the 2024 EE Plan,** and provide a list of reasons why it was not endorsed for PUC consideration in its final review of the 2024 EE Plan.



Summary & Recommendations

2024 Annual Plan sufficiently meets all requirements & primary objectives

Electric and Gas Programs are Cost-Effective

Portfolio Costs are less than the cost of supply

Addresses issues of Prudence & Reliability

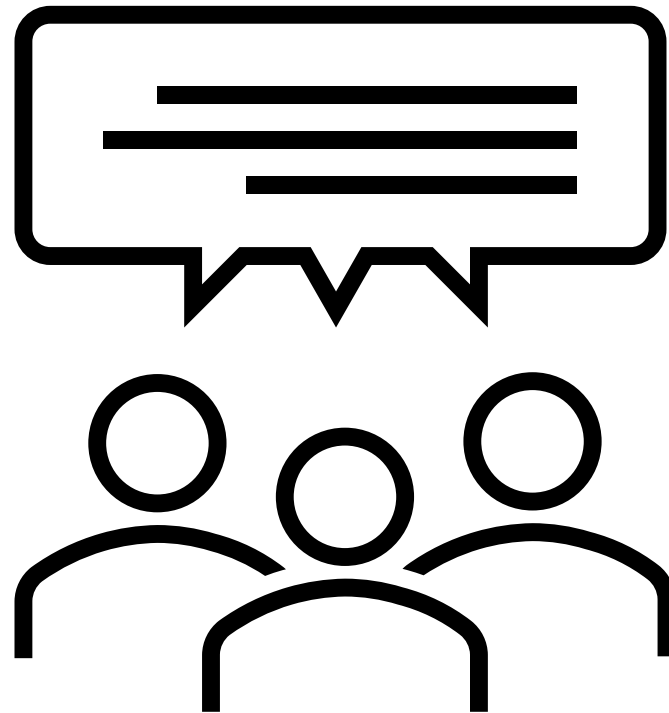
Aligns with Least Cost Procurement Standards

Reflects responsiveness to EERMC and Stakeholder Priorities





Council Member Discussion





APPENDICES





APPENDICIES

Appendix A: Additional Portfolio and Program Savings and Spending Data

Appendix B: Responsiveness to Council Priorities

Appendix C: Additional Sector Highlights



Additional Portfolio and Program Savings and Spending Data

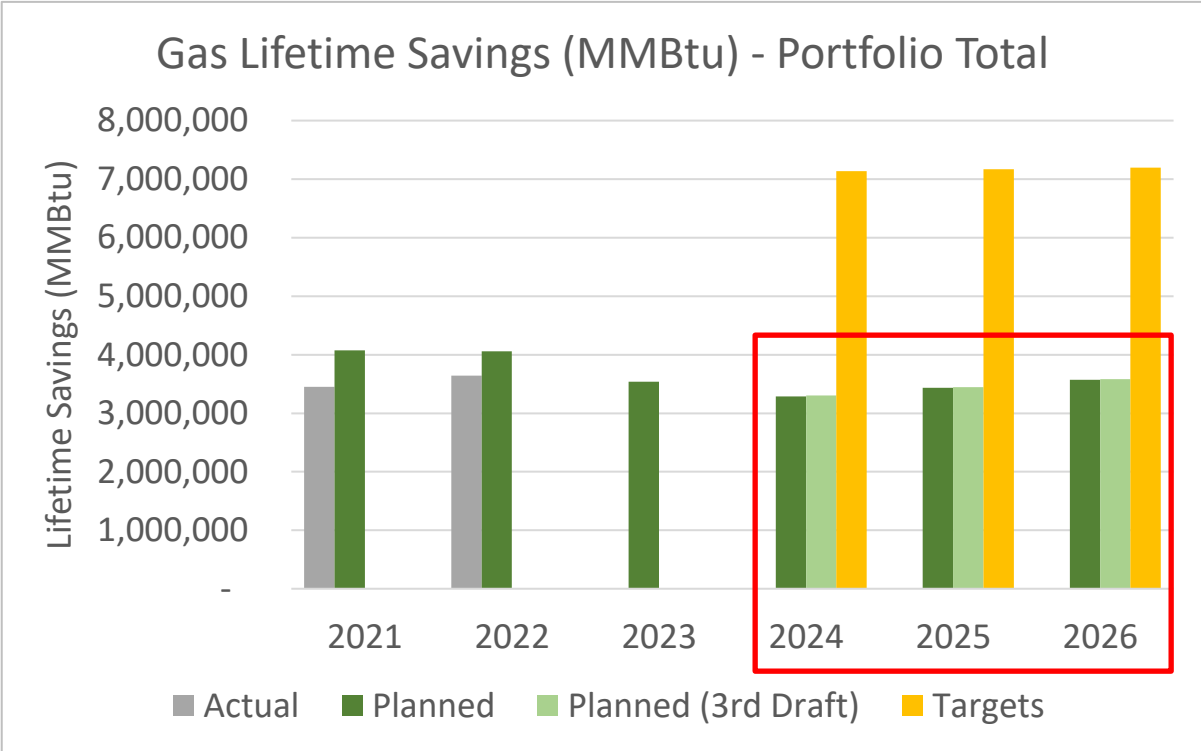
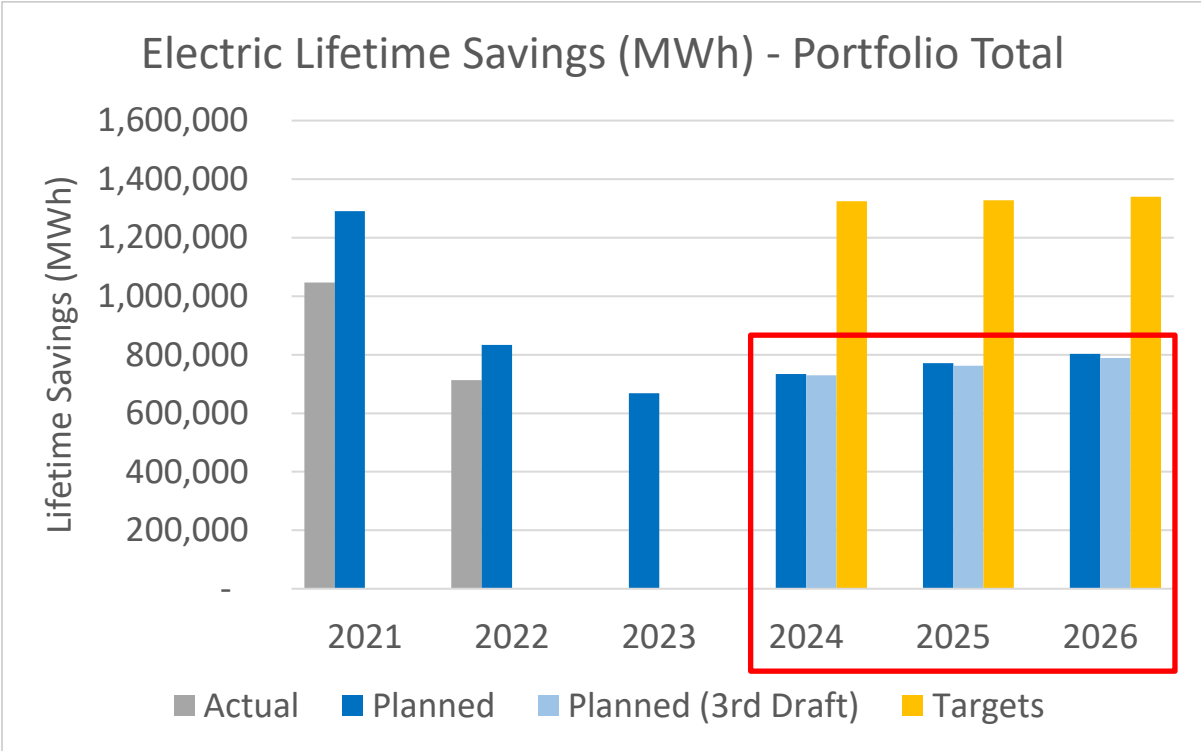
APPENDIX A





Portfolio Lifetime Savings

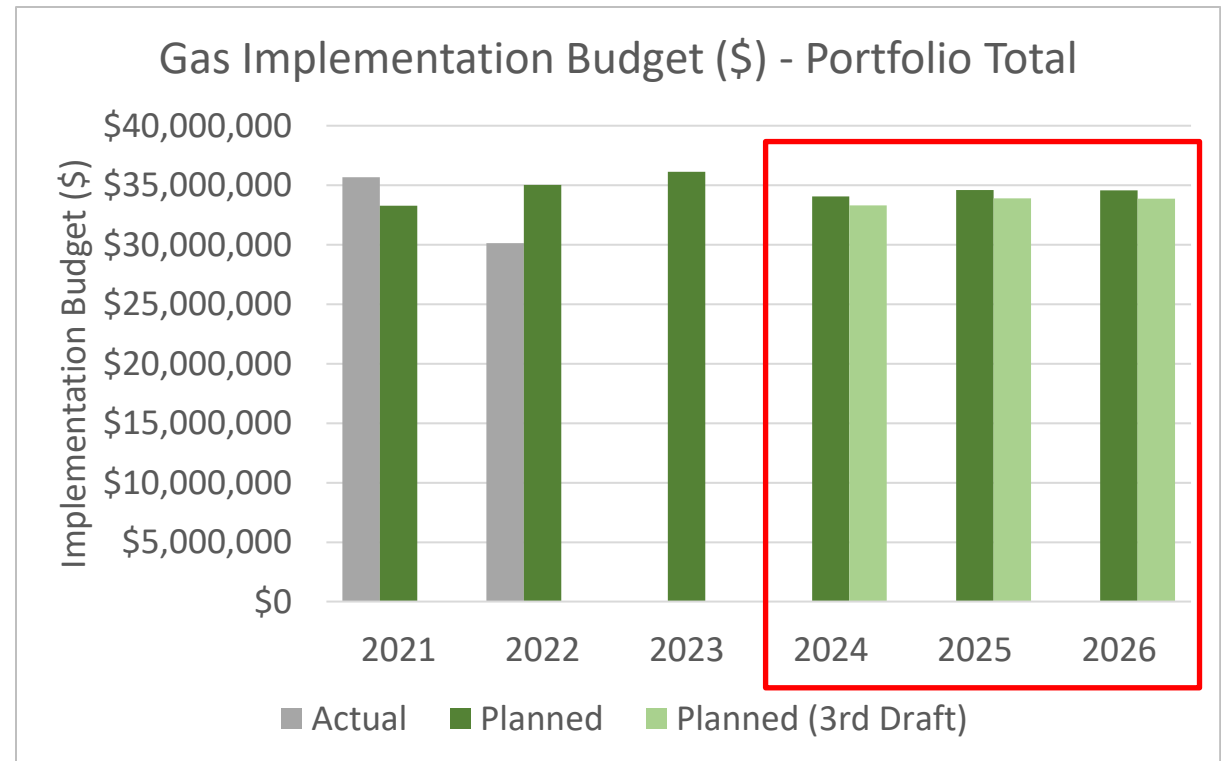
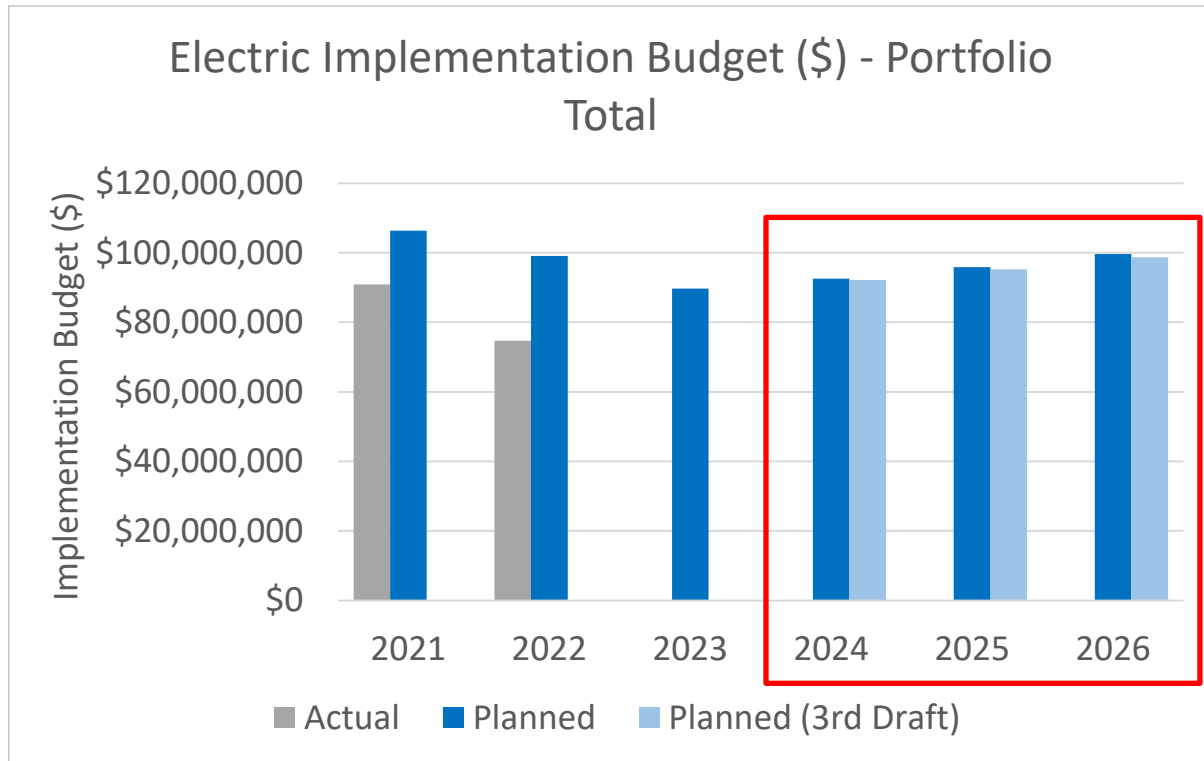
Key Takeaway 1% decrease in **total lifetime electric savings** and <1% decrease in **total lifetime gas savings** between second and third 2024-2026 Plan drafts.





Implementation Budget

Key Takeaway 1% decrease in electric spending, 2% decrease in gas spending, and **1% decrease in total spending between second and third 2024-2026 Plan drafts.**



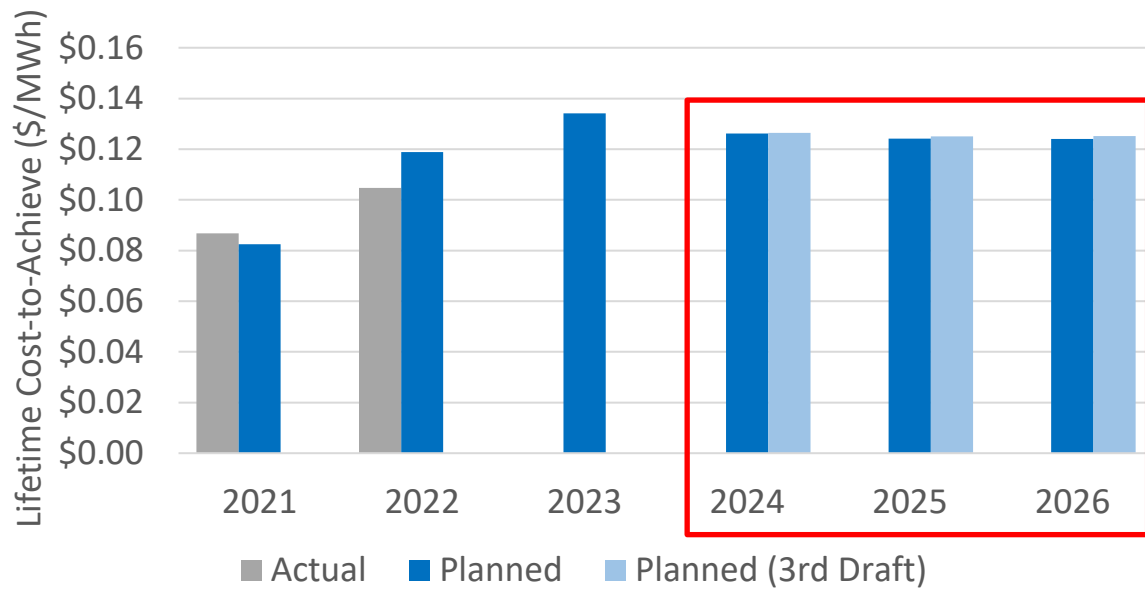


Portfolio Cost to Achieve

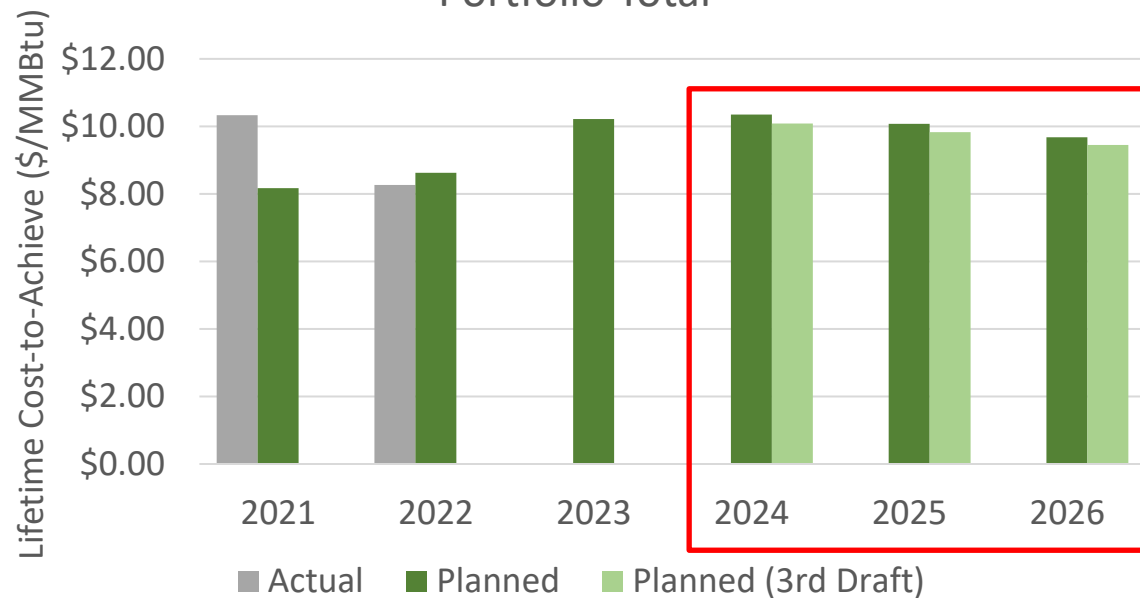
Key Takeaway

<1% increase in planned electric cost-to-achieve between second and third 2024-2026 Plan drafts. Gas cost-to-achieve reduced between drafts and decreases over time.

Electric Cost to Achieve (\$/Lifetime kWh) - Portfolio Total



Gas Cost to Achieve (\$/Lifetime MMBtu) - Portfolio Total





Electric Portfolio Savings

LIFETIME MWhs

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
Small Business Direct Install	58,008	61,837	64,684	0	0%	0	0%	0	0%
Large C&I New Construction	182,346	189,935	198,022	0	0%	0	0%	-95	0%
Large C&I Retrofit	242,966	244,390	251,876	-5,620	-2%	-9,915	-4%	-13,078	-5%
C&I Total	483,319	496,161	514,583	-5,620	-1%	-9,915	-2%	-13,173	-2%
Income Eligible Single Family	36,840	46,970	48,507	0	0%	-1,429	-3%	-1,113	-2%
Income Eligible Multifamily	18,518	13,435	10,055	-655	-3%	495	4%	405	4%
Income Eligible Total	55,358	60,406	58,562	-655	-1%	-935	-2%	-708	-1%
Residential New Construction	15,904	17,174	18,495	1,966	14%	1,987	13%	1,959	12%
Residential HVAC	112,919	126,046	134,654	1,559	1%	2,051	2%	376	0%
EnergyWise Single Family	14,991	15,911	17,445	0	0%	0	0%	0	0%
EnergyWise Multifamily	8,122	7,120	6,336	-163	-2%	1	0%	0	0%
Home Energy Reports	23,359	23,359	22,424	0	0%	0	0%	0	0%
ENERGY STAR® Lighting	0	0	0	0		0		0	
Residential Consumer Products	15,323	15,800	16,283	-1,625	-10%	-2,967	-16%	-3,049	-16%
Residential Total	190,617	205,409	215,638	1,737	1%	1,072	1%	-714	0%
Residential & Income Eligible Total	245,975	265,815	274,200	1,082	0%	137	0%	-1,422	-1%
Portfolio Total	729,294	761,976	788,783	-4,538	-1%	-9,777	-1%	-14,595	-2%



Electric Portfolio Implementation Budget

IMPLEMENTATION BUDGET

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
Small Business Direct Install	\$8,199,942	\$8,574,150	\$8,953,227	\$6,154	0%	\$6,329	0%	\$6,762	0%
Large C&I New Construction	\$9,227,180	\$9,745,064	\$10,292,653	\$495	0%	\$665	0%	\$1,094	0%
Large C&I Retrofit	\$22,797,878	\$23,515,223	\$24,289,402	-\$436,303	-2%	-\$808,547	-3%	-\$1,131,412	-4%
C&I Financing	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - C&I	\$57,914	\$59,461	\$61,051	\$0	0%	\$0	0%	\$0	0%
Commercial Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
C&I ConnectedSolutions				\$0		\$0		\$0	
Commercial Workforce Development	\$74,900	\$74,900	\$74,900	\$0	0%	\$0	0%	\$0	0%
C&I Total	\$40,357,814	\$41,968,799	\$43,671,233	-\$429,654	-1%	-\$801,553	-2%	-\$1,123,556	-3%
Income Eligible Single Family	\$12,237,390	\$13,114,153	\$13,535,276	\$8,581	0%	\$8,756	0%	\$9,265	0%
Income Eligible Multifamily	\$3,784,189	\$2,668,011	\$2,119,719	\$62,226	2%	\$190,973	8%	\$184,406	10%
Income Eligible Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Income Eligible Total	\$16,021,579	\$15,782,165	\$15,654,994	\$70,808	0%	\$199,729	1%	\$193,671	1%
Residential New Construction	\$1,312,727	\$1,498,766	\$1,720,592	\$2,254	0%	\$2,275	0%	\$2,340	0%
Residential HVAC	\$6,563,597	\$7,082,257	\$7,524,130	\$31,151	0%	\$40,676	1%	\$16,938	0%
EnergyWise Single Family	\$16,277,686	\$17,022,632	\$18,105,667	\$7,069	0%	\$7,302	0%	\$8,077	0%
EnergyWise Multifamily	\$1,291,901	\$1,195,557	\$1,108,898	\$76,745	6%	\$79,487	7%	\$75,622	7%
Home Energy Reports	\$2,123,264	\$2,122,104	\$2,120,981	\$8,738	0%	\$8,738	0%	\$8,738	0%
ENERGY STAR® Lighting	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Consumer Products	\$1,987,426	\$2,033,549	\$2,077,960	-\$102,553	-5%	-\$94,871	-4%	-\$97,288	-4%
Energy Efficiency Education	\$0	\$0	\$0	\$0		\$0		\$0	
Comprehensive Marketing - Residential	\$326,506	\$336,254	\$346,295	\$0	0%	\$0	0%	\$0	0%
Community Based Initiatives - Residential	\$139,402	\$143,585	\$147,892	\$0	0%	\$0	0%	\$0	0%
Residential ConnectedSolutions				\$0		\$0		\$0	
Residential Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Total	\$30,022,508	\$31,434,705	\$33,152,416	\$23,405	0%	\$43,607	0%	\$14,427	0%
Residential & Income Eligible Total	\$46,044,087	\$47,216,869	\$48,807,410	\$94,213	0%	\$243,336	1%	\$208,098	0%
EERMC	\$702,267	\$702,267	\$702,267	\$0	0%	\$0	0%	\$0	0%
OER	\$1,386,417	\$1,646,666	\$1,790,537	\$0	0%	\$0	0%	\$0	0%
Rhode Island Infrastructure Bank	\$3,737,500	\$3,737,500	\$3,737,500	\$0	0%	\$0	0%	\$0	0%
Regulatory Total	\$5,826,185	\$6,086,433	\$6,230,304	\$0	0%	\$0	0%	\$0	0%
Portfolio Total	\$92,228,085	\$95,272,101	\$98,708,947	-\$335,442	0%	-\$558,217	-1%	-\$915,458	-1%



Electric Portfolio Cost-to-Achieve

\$/LIFETIME kWh

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
				Change	% Change	Change	% Change	Change	% Change
Small Business Direct Install	\$0.14	\$0.14	\$0.14	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I New Construction	\$0.05	\$0.05	\$0.05	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I Retrofit	\$0.09	\$0.10	\$0.10	\$0.00	0%	\$0.00	1%	\$0.00	1%
C&I Total	\$0.08	\$0.08	\$0.08	\$0.00	0%	\$0.00	0%	\$0.00	0%
Income Eligible Single Family	\$0.33	\$0.28	\$0.28	\$0.00	0%	\$0.01	3%	\$0.01	2%
Income Eligible Multifamily	\$0.20	\$0.20	\$0.21	\$0.01	5%	\$0.01	4%	\$0.01	5%
Income Eligible Total	\$0.29	\$0.26	\$0.27	\$0.00	2%	\$0.01	3%	\$0.01	2%
Residential New Construction	\$0.08	\$0.09	\$0.09	-\$0.01	-12%	-\$0.01	-11%	-\$0.01	-10%
Residential HVAC	\$0.06	\$0.06	\$0.06	\$0.00	-1%	\$0.00	-1%	\$0.00	0%
EnergyWise Single Family	\$1.09	\$1.07	\$1.04	\$0.00	0%	\$0.00	0%	\$0.00	0%
EnergyWise Multifamily	\$0.16	\$0.17	\$0.18	\$0.01	8%	\$0.01	7%	\$0.01	7%
Home Energy Reports	\$0.09	\$0.09	\$0.09	\$0.00	0%	\$0.00	0%	\$0.00	0%
ENERGY STAR® Lighting				\$0.00		\$0.00		\$0.00	
Residential Consumer Products	\$0.13	\$0.13	\$0.13	\$0.01	5%	\$0.02	13%	\$0.02	13%
Residential Total	\$0.16	\$0.15	\$0.15	\$0.00	-1%	\$0.00	0%	\$0.00	0%
Residential & Income Eligible Total	\$0.19	\$0.18	\$0.18	\$0.00	0%	\$0.00	0%	\$0.00	1%
Portfolio Total	\$0.13	\$0.13	\$0.13	\$0.00	0%	\$0.00	1%	\$0.00	1%



Gas Portfolio Savings

LIFETIME MMBtus

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)
Large C&I New Construction	657,560	703,021	754,278
Large C&I Retrofit	1,075,167	1,179,097	1,299,409
Small Business Direct Install	118,655	118,655	118,655
C&I Multifamily	65,609	60,792	56,017
C&I Total	1,916,991	2,061,565	2,228,358
Income Eligible Single Family	121,326	121,326	121,326
Income Eligible Multifamily	166,156	160,382	154,693
Income Eligible Total	287,482	281,708	276,019
Residential HVAC	221,257	206,304	177,760
EnergyWise Single Family	613,643	638,879	670,791
EnergyWise Multifamily	104,240	99,654	91,577
Home Energy Reports	85,663	85,663	85,663
Residential New Construction	73,327	74,240	54,796
Residential Total	1,098,130	1,104,739	1,080,587
Residential & Income Eligible Total	1,385,612	1,386,447	1,356,606
Portfolio Total	3,302,603	3,448,012	3,584,964

2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)	
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
13,565	23%
13,565	1%
13,565	1%
13,565	0%

2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)	
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
13,565	22%
13,565	1%
13,565	1%
13,565	0%

2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
0	0%
0	0%
0	0%
-71	0%
-71	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
13,565	33%
13,565	1%
13,565	1%
13,494	0%



Gas Implementation Budget

IMPLEMENTATION BUDGET

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan	
Large C&I New Construction	\$2,125,417	\$2,211,456	\$2,322,696	\$773	0%	\$646	0%	\$651	0%
Large C&I Retrofit	\$4,476,716	\$4,669,879	\$4,954,412	\$1,401	0%	\$1,078	0%	\$1,118	0%
Small Business Direct Install	\$757,394	\$763,996	\$787,667	\$632	0%	\$557	0%	\$549	0%
C&I Multifamily	\$879,874	\$827,762	\$777,627	-\$749,552	-46%	-\$732,349	-47%	-\$717,663	-48%
Comprehensive Marketing - Commercial and Industrial	\$0	\$0	\$0	\$0		\$0		\$0	
Commercial Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Finance Costs	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - C&I	\$3,699	\$3,749	\$3,799	\$0	0%	\$0	0%	\$0	0%
Rhode Island Infrastructure Bank	\$1,262,500	\$1,262,500	\$1,262,500	\$0	0%	\$0	0%	\$0	0%
Commercial Workforce Development	\$32,100	\$32,100	\$32,100	\$0	0%	\$0	0%	\$0	0%
C&I Total	\$9,537,700	\$9,771,441	\$10,140,801	-\$746,747	-7%	-\$730,069	-7%	-\$715,345	-7%
Income Eligible Single Family	\$4,509,586	\$4,617,438	\$4,289,135	\$3,824	0%	\$3,477	0%	\$3,479	0%
Income Eligible Multifamily	\$3,076,634	\$3,032,768	\$2,872,882	\$1,755	0%	\$1,661	0%	\$1,607	0%
Income Eligible Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Income Eligible Total	\$7,586,220	\$7,650,206	\$7,162,017	\$5,578	0%	\$5,138	0%	\$5,086	0%
Residential HVAC	\$1,516,153	\$1,402,302	\$1,235,692	\$1,043	0%	\$896	0%	\$849	0%
EnergyWise Single Family	\$11,084,778	\$11,508,026	\$11,992,924	\$6,835	0%	\$5,941	0%	\$5,991	0%
EnergyWise Multifamily	\$1,439,750	\$1,378,319	\$1,299,704	\$781	0%	\$728	0%	\$703	0%
Home Energy Reports	\$354,901	\$354,773	\$354,650	\$903	0%	\$903	0%	\$903	0%
Residential New Construction	\$579,867	\$616,956	\$474,926	\$545	0%	\$518	0%	\$482	0%
Comprehensive Marketing - Residential	\$79,670	\$82,058	\$84,518	\$0	0%	\$0	0%	\$0	0%
Residential Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - Residential	\$46,467	\$47,862	\$49,297	\$0	0%	\$0	0%	\$0	0%
Residential Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Total	\$15,101,587	\$15,390,296	\$15,491,711	\$10,106	0%	\$8,986	0%	\$8,929	0%
Residential & Income Eligible Total	\$22,687,807	\$23,040,502	\$22,653,729	\$15,685	0%	\$14,124	0%	\$14,014	0%
EERMC	\$376,533	\$376,533	\$376,533	\$0	0%	\$0	0%	\$0	0%
OER	\$721,888	\$712,616	\$711,263	\$0	0%	\$0	0%	\$0	0%
Regulatory Total	\$1,098,421	\$1,089,149	\$1,087,795	\$0	0%	\$0	0%	\$0	0%
Portfolio Total	\$33,323,928	\$33,901,092	\$33,882,325	-\$731,062	-2%	-\$715,944	-2%	-\$701,331	-2%



Gas Cost-to-Achieve

\$/LIFETIME MMBtu

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second)	
Large C&I New Construction	\$3.23	\$3.15	\$3.08	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I Retrofit	\$4.16	\$3.96	\$3.81	\$0.00	0%	\$0.00	0%	\$0.00	0%
Small Business Direct Install	\$6.38	\$6.44	\$6.64	\$0.01	0%	\$0.00	0%	\$0.00	0%
C&I Multifamily	\$13.41	\$13.62	\$13.88	-\$11.42	-46%	-\$12.05	-47%	-\$12.78	-48%
C&I Total	\$4.98	\$4.74	\$4.55	-\$0.39	-7%	-\$0.35	-7%	-\$0.32	-7%
Income Eligible Single Family	\$37.17	\$38.06	\$35.35	\$0.03	0%	\$0.03	0%	\$0.03	0%
Income Eligible Multifamily	\$18.52	\$18.91	\$18.57	\$0.01	0%	\$0.01	0%	\$0.01	0%
Income Eligible Total	\$26.39	\$27.16	\$25.95	\$0.02	0%	\$0.02	0%	\$0.02	0%
Residential HVAC	\$6.85	\$6.80	\$6.95	\$0.00	0%	\$0.00	0%	\$0.00	0%
EnergyWise Single Family	\$18.06	\$18.01	\$17.88	\$0.01	0%	\$0.01	0%	\$0.01	0%
EnergyWise Multifamily	\$13.81	\$13.83	\$14.19	\$0.01	0%	\$0.01	0%	\$0.01	0%
Home Energy Reports	\$4.14	\$4.14	\$4.14	\$0.01	0%	\$0.01	0%	\$0.01	0%
Residential New Construction	\$7.91	\$8.31	\$8.67	-\$1.79	-18%	-\$1.85	-18%	-\$2.84	-25%
Residential Total	\$13.75	\$13.93	\$14.34	-\$0.16	-1%	-\$0.16	-1%	-\$0.17	-1%
Residential & Income Eligible Total	\$16.37	\$16.62	\$16.70	-\$0.15	-1%	-\$0.15	-1%	-\$0.16	-1%
Portfolio Total	\$10.09	\$9.83	\$9.45	-\$0.26	-3%	-\$0.25	-2%	-\$0.23	-2%



Responsiveness to Council Priorities

APPENDIX B





Responsiveness to Council Priorities

Priority	Assessment
Priority #1: Comply with LCP Standards	Responsive <ul style="list-style-type: none"> Annual Plan provides detailed review, though there are some elements where we do not agree with the characterizations (e.g. Efficacy, whether 'all cost-effective' is being fully pursued). Assessment of Cost-Effectiveness portion of LCP Standards Compliance still to be assessed in form of Cost-Effectiveness memo at future Council Meeting
Priority #2: Give Due Consideration to Act on Climate	Partial <ul style="list-style-type: none"> Stakeholders have repeatedly requested RIE provide an interim view of emissions contributions from EE that would align with Act on Climate in lieu of the 2025 Climate Strategy, since that document will not be available in time to inform this 3YP cycle. RIE continues to point to presence of any emissions reductions as evidence of alignment which does not comport with fact of quantitative targets. In current drafts, this was supplemented with specifics from 2022 Climate Update which are appreciated. Plan does include notable decreases of incentives for new gas equipment.



Responsiveness to Council Priorities

Priority	Assessment
Priority #3: Incorporate Stakeholder Input	Responsive <ul style="list-style-type: none"> • RIE provided redlined text and written responses to all comments. However, several substantive comments ‘To Be Addressed’ and several key suggestions not incorporated. • The Company put in effort to fulfill requests for background data in the plan (e.g. C&I participants by consumption class, SBDI participation reporting) even though some other information still pending • Adjustment of gas incentives a key area of responsiveness to input, as is the description of gaps between targets and goals
Priority #4: Ensure an Effective & Efficiency Development & Review Process	Partial <ul style="list-style-type: none"> • Considering the disconnects with the expectations around the first draft Three Year Plan, this year’s review process could have been better. • RIE was responsive to this feedback and significantly expanded second draft of Three-Year Plan • Later than expected delivery of some components (e.g. BCR and Rate and Bill Impact Models) has impacted review



Responsiveness to Council Priorities

Priority	Assessment
<p>Priority #5: Set Ambitious Three-Year and Annual Plan Savings Goals</p>	<p>Partial</p> <ul style="list-style-type: none"> • Ramp up of savings during 3YP, but still substantially below Targets. • New section that specifically seeks to identify and describe reasons the goals fall below the Targets is appreciated, but could offer more quantitative information on specific drivers. • Disconnect regarding continued opportunity for more savings paired with declining budget
<p>Priority #6: Increase Participation in Underserved Communities</p>	<p>Partial</p> <ul style="list-style-type: none"> • Commitment made to develop equity metrics in Q1 2024, but important to ensure that Plan stakeholders and their feedback are actively involved in that process. No reason this process could not continue in Q4 of this year & avoid EWG ‘stop and start’ • Council and others should play more significant role in EWG oversight if that will be venue for finalizing metrics • No commitment to develop an equity component to the PIM despite openness to this in past conversations
<p>Priority #7: Conduct Targeted Workforce Development</p>	<p>Not Responsive</p> <ul style="list-style-type: none"> • Specifics were added for code compliance training but little else in the way of additional details. • WFD seems to be more business as usual • Shifting burden more towards other state entities • WFD spending cut in half from the first draft 3YP/Annual Plan with no clear description of how they will support other entities doing WFD • Lack of workforce diversity identified as a challenge, but no specific solutions proposed in Plan



Additional Sector Highlights

APPENDIX C





Coordination of RIE and State Programs

RI Energy Small Business Direct Install program page only highlights lighting and refrigeration upgrades

- Customers can receive robust incentives for all end uses, not just lighting and refrigeration



Coordination of RIE and State Programs

OER Clean Heat RI website describes incentives for upgrading heating and cooling systems

This program is targeted at heat pumps, but **website** makes clear the type of equipment that is incentivized

Governor McKee and the Rhode Island General Assembly enacted legislation to launch the Clean Heat RI program. Administered by the Rhode Island Office of Energy Resources, Clean Heat RI offers incentives to assist homeowners, non-profits, and small-to-mid-size business owners with the purchase and installation of high-efficiency electric heat pumps, with an emphasis on families in environmental justice communities, minority-owned businesses, and community organizations.

The Clean Heat Rhode Island Program is hosting a Customer Webinar on September 21 at 6:30PM.

[Register Now](#)

I'm an Installer

Installers can participate in Clean Heat Rhode Island by applying for the Heat Pump Installer Network. Learn more about the benefits of participating in the program, how to apply for incentives, and the requirements of the Clean Heat Rhode Island Heat Pump Installer Network.

[Learn More](#)

I'm a Homeowner

Homeowners can receive incentives for installing a clean heating and cooling system. Learn more about high-efficiency heat pumps by signing up for a consultation with a Heat Pump specialist and learn how to apply for the incentives available to you through Clean Heat Rhode Island.

[Learn More](#)

I'm an Organization

Small-to-mid-size businesses or nonprofits can receive incentives for installing a clean heating and cooling system. Learn more about whether your organization is eligible and whether a heat pump is right for your business by consulting with a Heat Pump specialist.

[Learn More](#)



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

2024-2026 Energy Efficiency Plan EERMC Consultant Team Review

Presented By: EERMC Consultant Team

Date: September 28, 2023



Outline

Overview & Key Findings

Portfolio Savings & Budgets

Sector Highlights

Council Discussion & Vote



OVERVIEW





Overview & Key Findings

Overall, the Three-Year Plan:

- Is robustly cost-effective
- Costs less than buying more energy supply
- Lowers energy bills for Rhode Islanders

2024 savings & budgets presented as what RIE can confidently deliver

- While understandable in the short term, implementation capacity should not constrain the breadth or quality of EE programs
- Should maximize benefits these programs produce for Rhode Islanders
- Critical need to continue detailed planning work for 2025 and 2026
 - Annual Plans will certainly deviate from Three-Year Plan values



Overview & Key Findings

Proposed roadmap to develop and include an equity-based Service Quality Adjustment in the EE PIM was not adopted by RIE

RIE has engaged in continued conversation & agreed to develop list of equity metrics from EWG recommendations that they are currently able to report on, or are feasible to develop in near term

This will facilitate gathering baseline data in 2024 on available equity metrics, a long-standing Council and Stakeholder request



Plan is Responsive to Council Priority



Plan is Partially Responsive to Council Priority



Plan is Not Responsive to Council Priority

Council Priorities

Council EE Priorities		Assessment
Priority #1	Comply with LCP Standards	✓
Priority #2	Give Due Consideration to Act on Climate	■ ■ ■
Priority #3	Incorporate Stakeholder Input	✓
Priority #4	Ensure an Effective & Efficient Development & Review Process	■ ■ ■
Priority #5	Set Ambitious Three-Year and Annual Plan Savings Goals	■ ■ ■
Priority #6	Increase Participation in Underserved Communities	■ ■ ■
Priority #7	Conduct Targeted Workforce Development	✗

- RIE **edited or clarified** in response to several relevant C-Team comments in 2nd draft & recent conversations
- Area of Council priority on savings level (i.e. **all cost-effective savings**) **addressed in Priority #5**, so not emphasized in assessment here

- 3YP **Goals fall well below targets**
- Qualitative comparison explaining gap helpful, but quantitative assessment expected in future plans
- Councilor discussions & RIE comments have emphasized ability to **respond to this priority through incremental savings in 2025 & 2026**

More Details in Appendix! 6

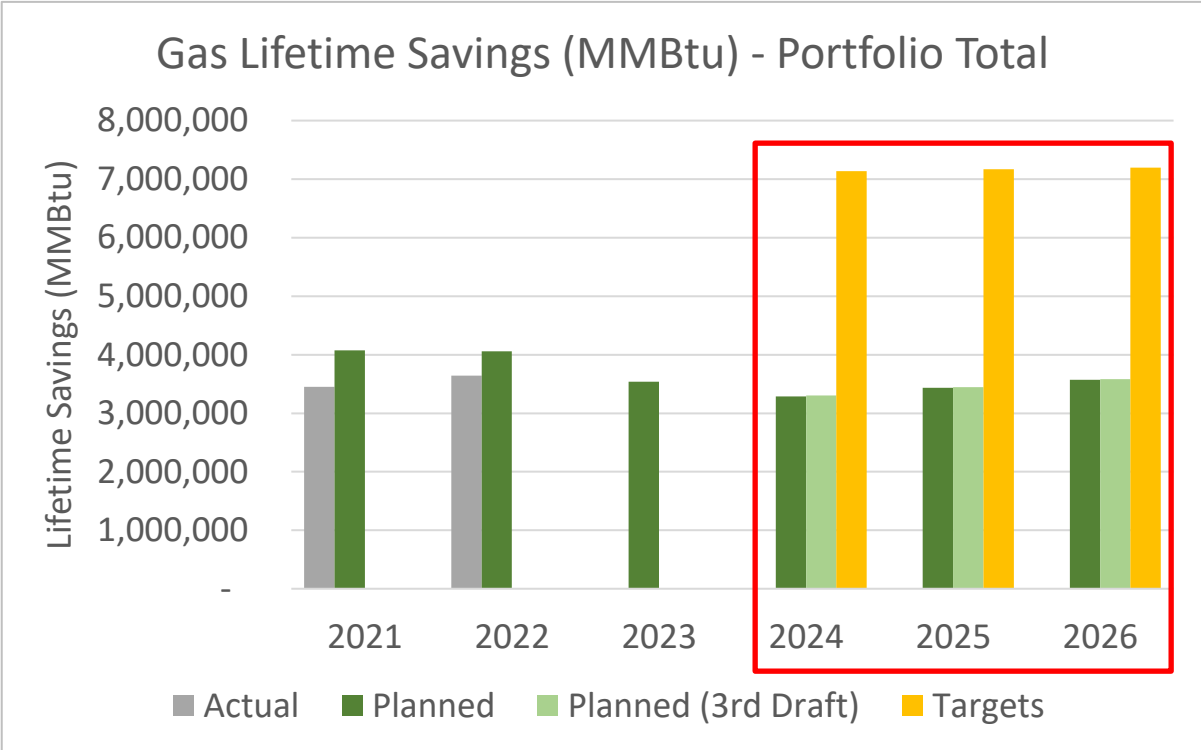
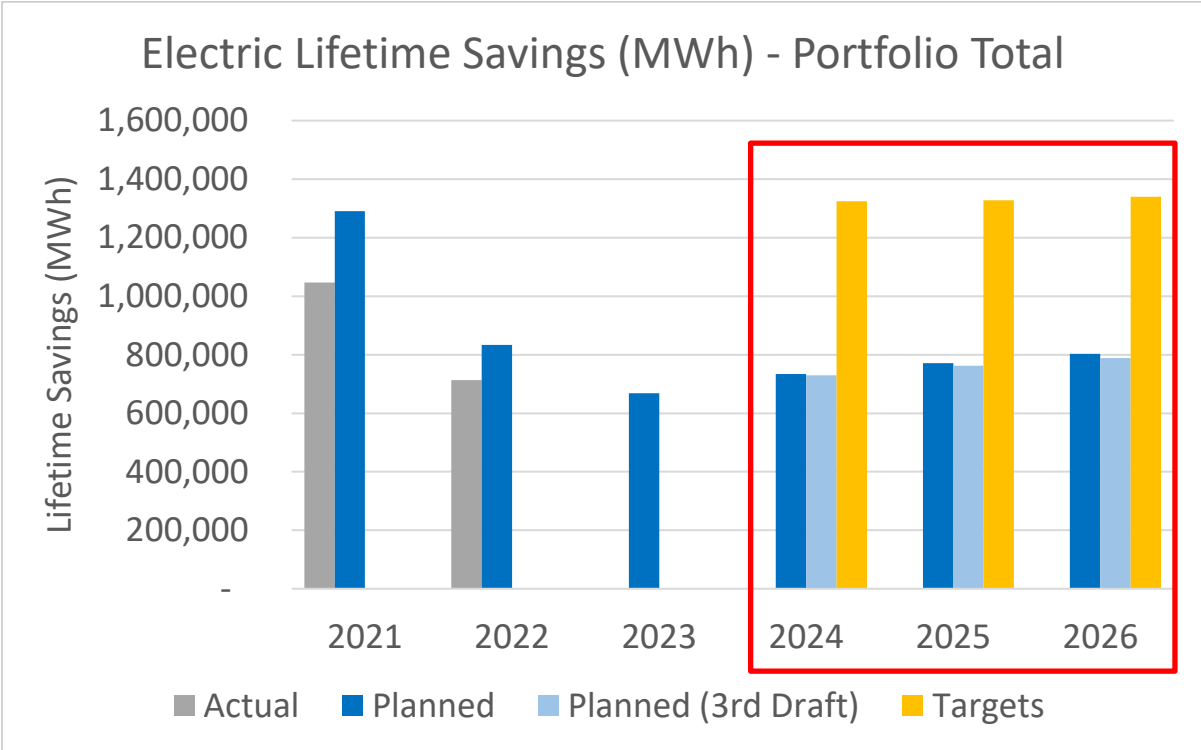


PORTFOLIO SAVINGS & BUDGETS



Portfolio Lifetime Savings

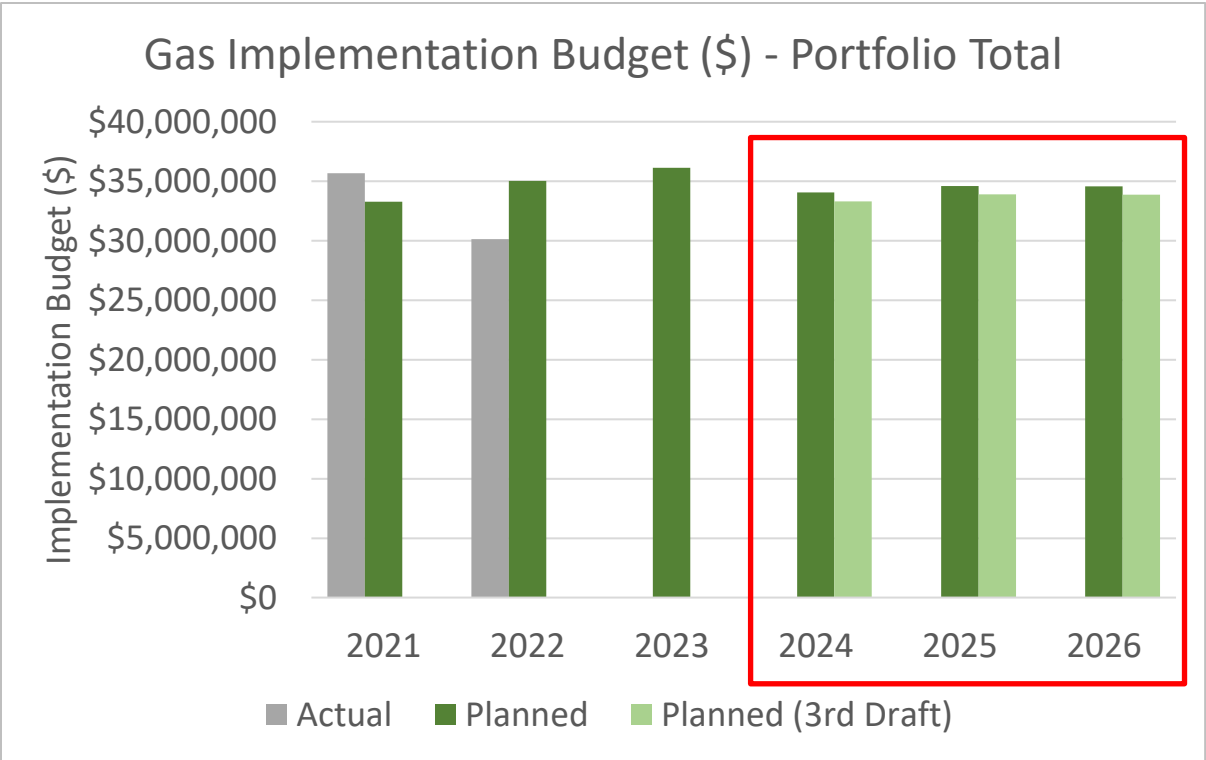
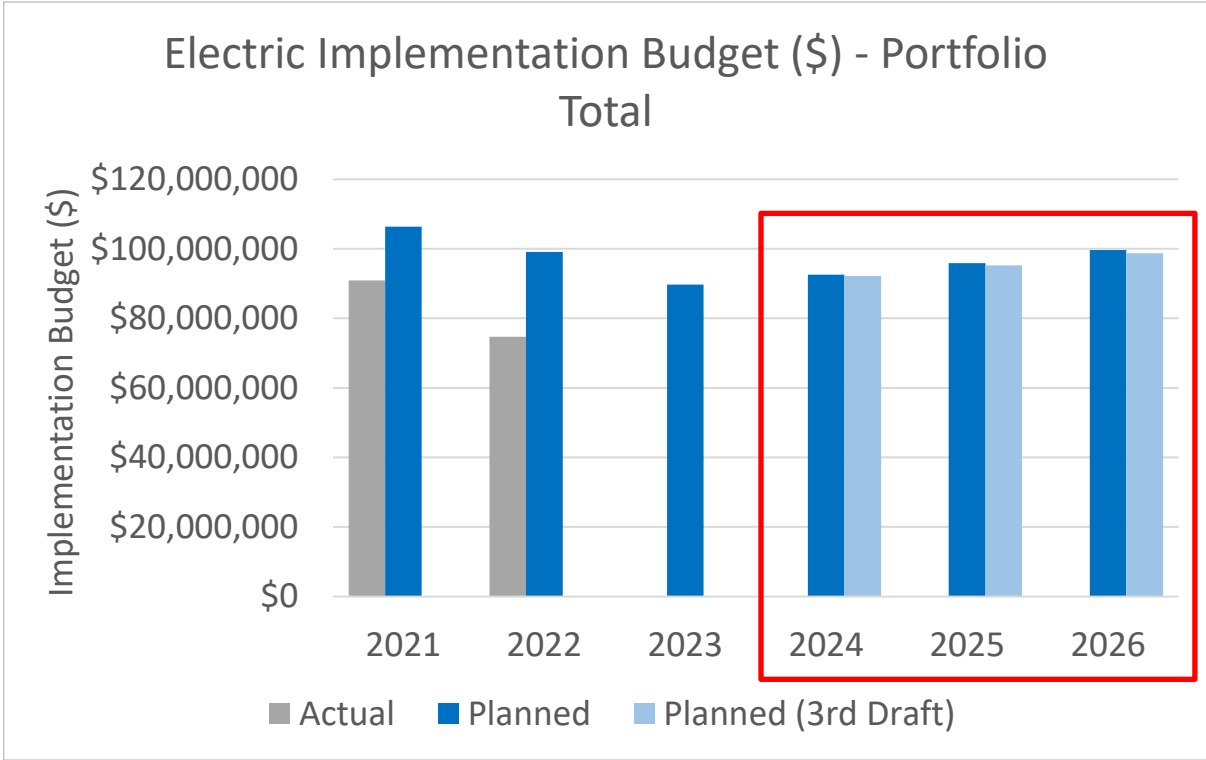
Key Takeaway 2024-2026 planned lifetime electric savings higher than 2023 Plan and both portfolio savings increasing over time, but ~40% short of EERMC-recommended targets





Portfolio Implementation Budget

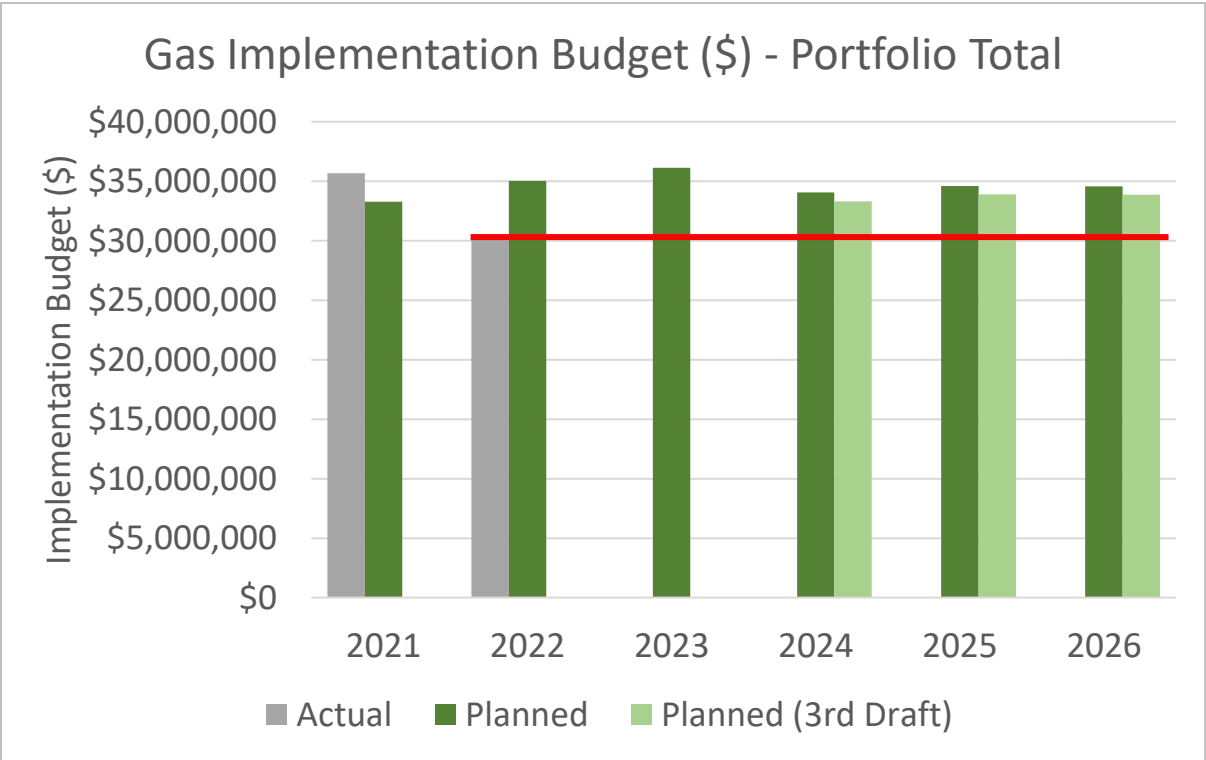
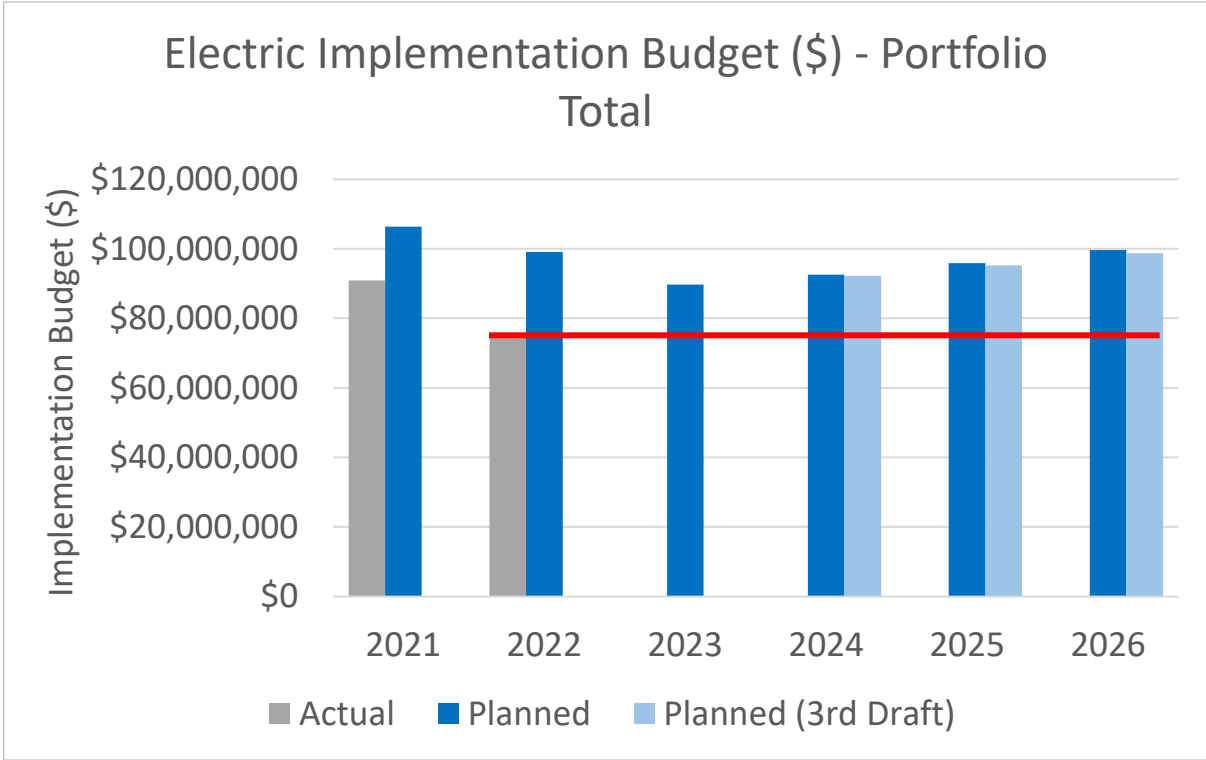
Key Takeaway Decrease in total 2024-2026 electric and gas budgets between Plan drafts. 2024-2026 Portfolio implementation budgets higher than 2022 actuals.





Portfolio Implementation Budget

Key Takeaway Decrease in total 2024-2026 electric and gas budgets between Plan drafts. **2024-2026 Portfolio implementation budgets higher than 2022 actuals.**





SECTOR HIGHLIGHTS





Commercial & Industrial

Previous concern regarding lack of references to the Market Potential Study Refresh in detailed C&I program content not sufficiently addressed

- Council has requested **explanations of gaps beyond unconstrained budget of MPS Refresh**

Great to see the planned **demonstration for C&I Weatherization**. Programs need to continue to support savings across all end uses

- “Residential-style” small businesses have been targeted since late 2021 and provided insights into costs of delivering C&I weatherization services
- Requested that the Company also target electric resistance heat in C&I sector

Lack of **workforce diversification is raised as a long-term challenge**, but explicit solutions and desired outcomes are not discussed

- Community College of RI and Worcester Polytechnic Institute will launch hands-on industrial assessment training for students, which will adhere to Justice40 guidelines
- Additional code compliance trainings planned, but workforce development efforts appear to be “business-as-usual” **without thoughtful strategies to diversify while upskilling**



Residential & Income Eligible

Income Eligible & Multifamily

- Testing new solutions for addressing historically underserved customers (e.g. Engaging with community organizations to improve customer education)
- More specificity around long-term plans and expected outcomes needed

Gas Equipment

- Significant reduction or entire removal of incentives for gas equipment – especially for those that are not cost-effective

Heating and Hot Water Electrification

- Commitment to emphasize electric resistance conversions in both Residential and Income Eligible Programs

New Construction

- Moving in the right direction towards Net Zero Energy
- Commitment to evaluate program redesign options



SUMMARY AND COUNCIL VOTE





Summary and Recommendations

2024-2026 Plan sufficiently meets all requirements & primary objectives

- 1 Electric and Gas Programs are Cost-Effective
- 2 Portfolio Costs are less than the cost of supply
- 3 Addresses issues of Prudence & Reliability
- 4 Aligns with Least Cost Procurement Standards
- 5 Reflects responsiveness to EERMC and Stakeholder Priorities





Council's Responsibility

EERMC role and responsibility in potentially endorsing the Plans as described in the LCP Standards:

“

The Council shall vote whether to endorse the Three-Year Plan prior to the prescribed filing date. If the Council does not endorse the Three-Year, the Council shall document the reasons and submit comments on the Three-Year EE Plan to the PUC for their consideration in final review of the Three-Year EE Plan.

”



Summary of Plan Vote Options

1. **Endorse the Three-Year EE Plan.** Endorsement may also list Council's concerns that didn't prevent endorsement but warrant mentioning in the Plan Docket.
2. **Endorse the Three-Year EE Plan,** but decline to join any Settlement of the Parties. Represents a strong statement of the EERMC's concerns.
3. **Not endorse the Three-Year EE Plan,** but indicate that if specific condition(s) are met it would be endorsed.
4. **Not endorse the Three-Year EE Plan,** and provide a list of reasons why it was not endorsed for PUC consideration in its final review of the Three-Year EE Plan.



Council Member Discussion





APPENDICES





APPENDICIES

Appendix A: Additional Portfolio and Program Savings and Spending Data

Appendix B: Responsiveness to Council Priorities



Additional Portfolio and Program Savings and Spending Data

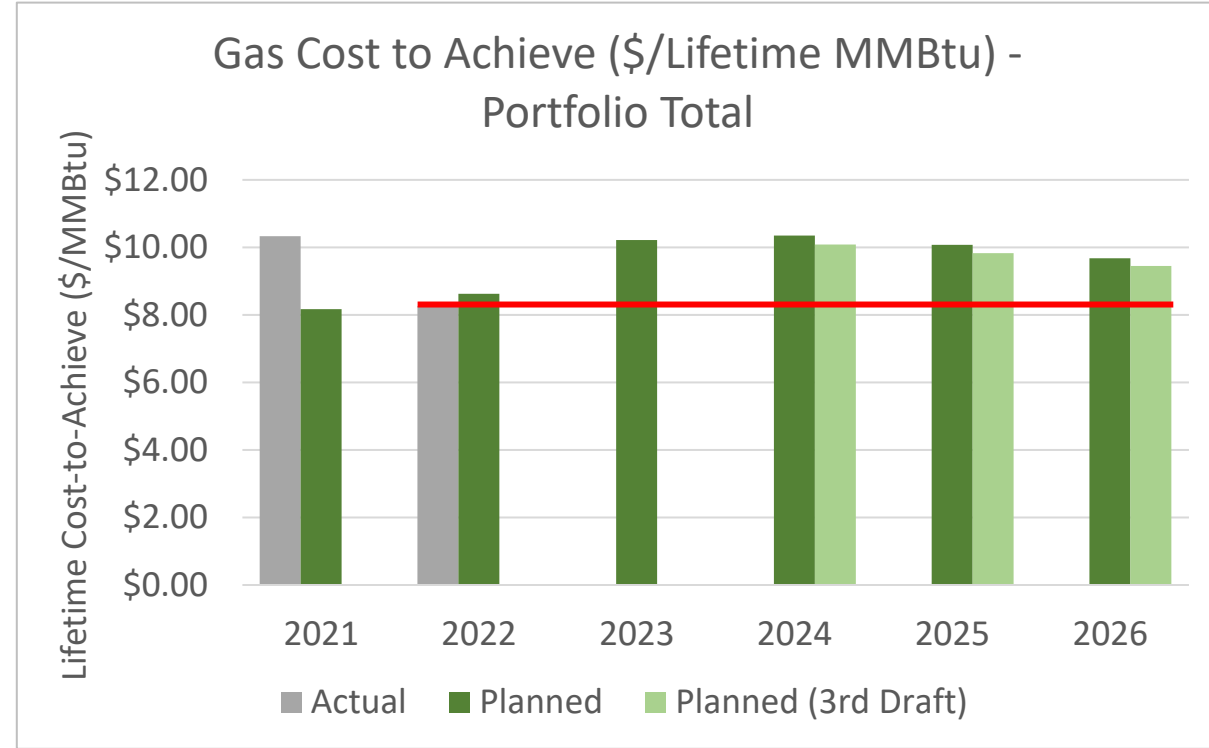
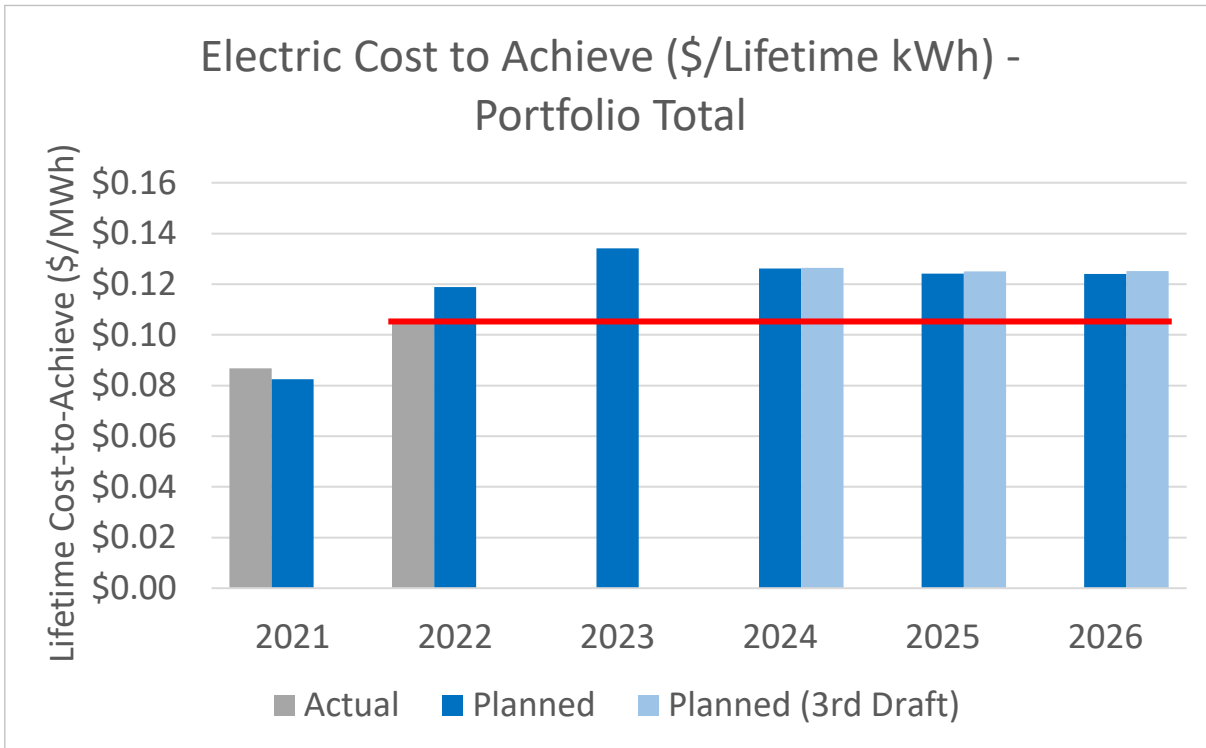
APPENDIX A





Portfolio Cost to Achieve

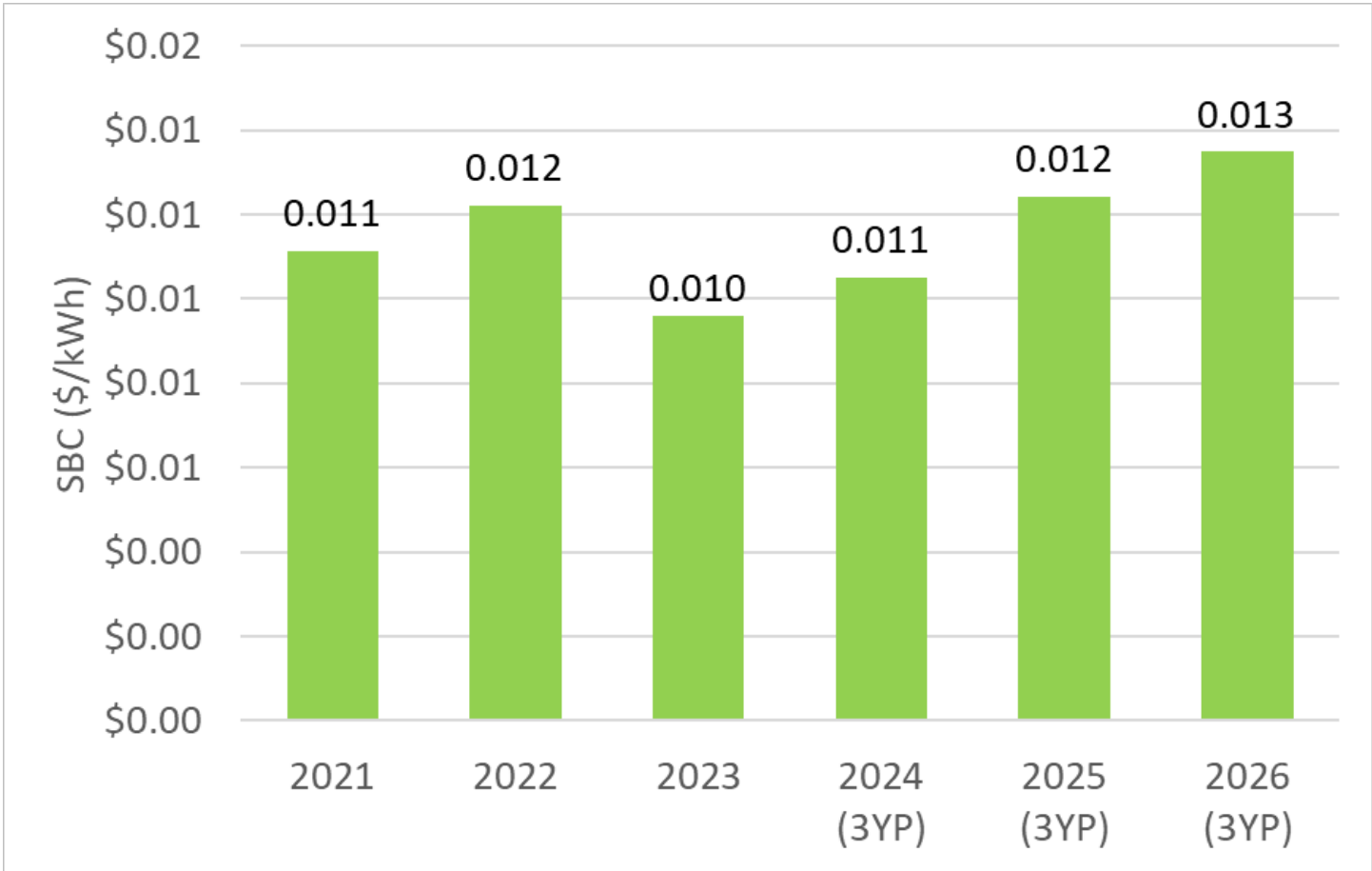
Key Takeaway Average planned **lifetime cost-to-achieve** for 2024-2026 is ~20% higher than 2022 **actuals** for both the electric and gas portfolios.





Electric System Benefits Charge

Key Takeaway Electric SBC higher than in 2023 and increasing during 2024-2026

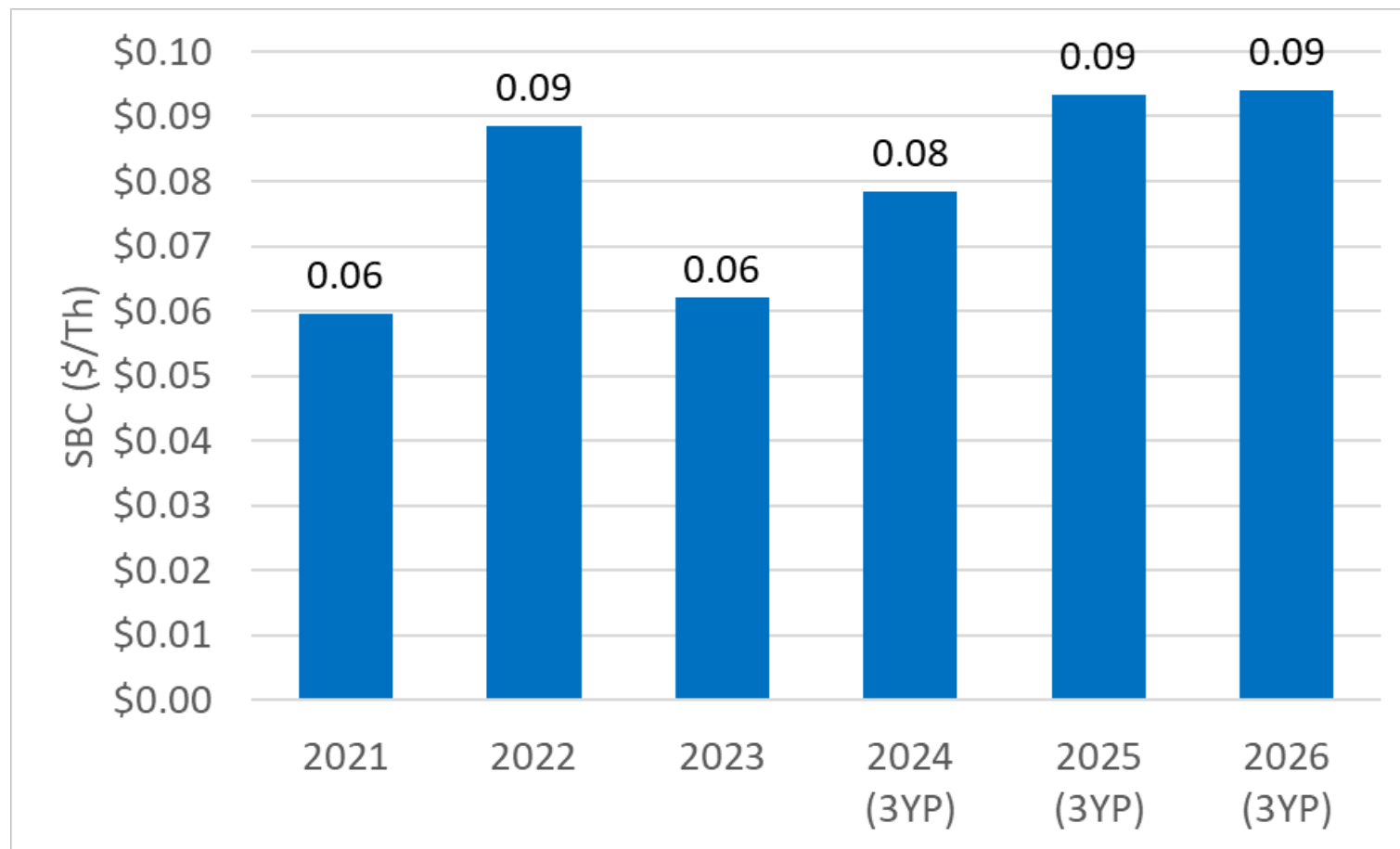




C&I Gas System Benefits Charge

Key Takeaway

C&I Gas SBC higher than in 2023 and increasing during 2024-2026

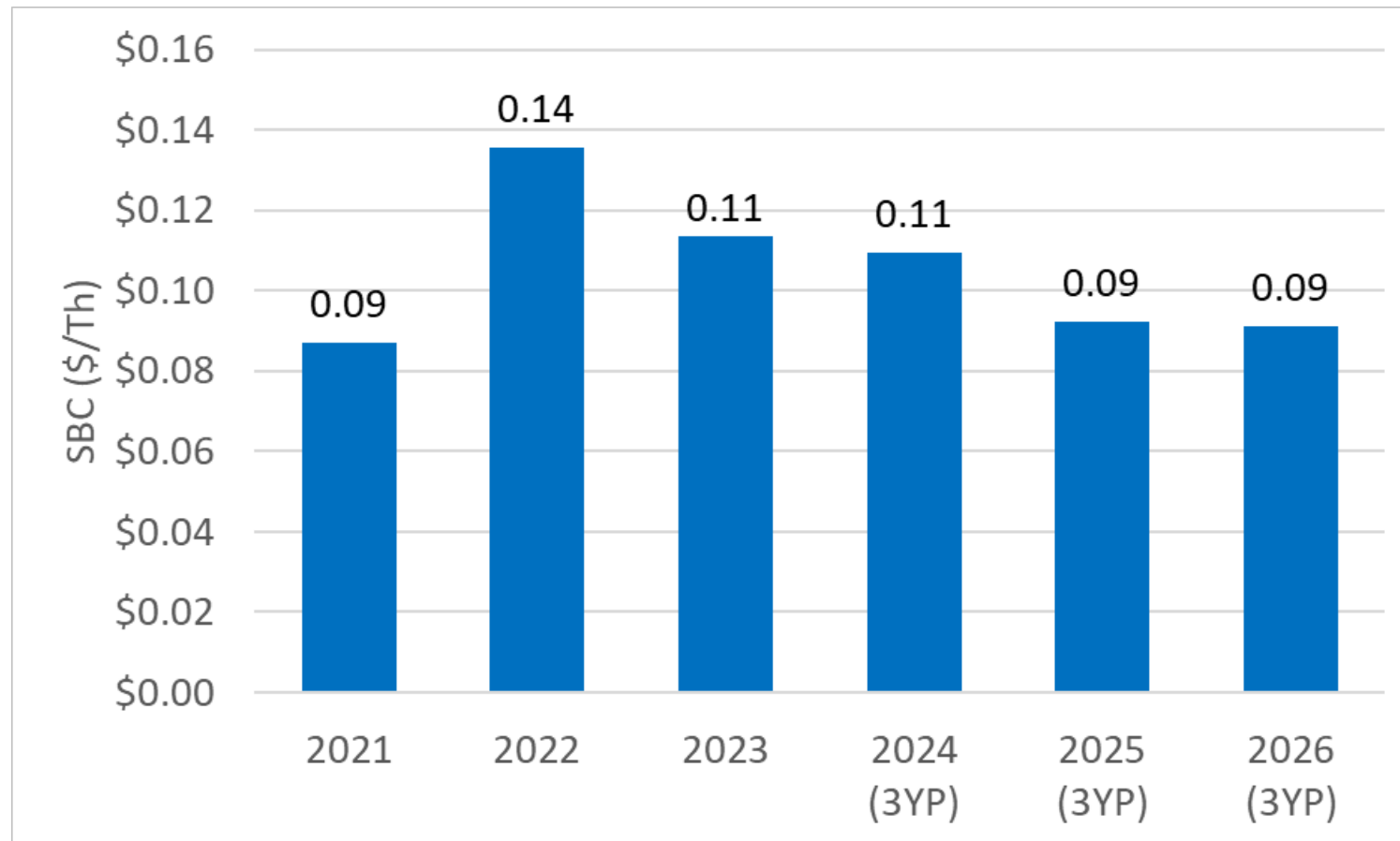




Residential Gas System Benefits Charge

Key Takeaway

Residential Gas SBC lower than in 2023 and decreasing during 2024-2026





Electric Portfolio Savings

LIFETIME MWhs

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
Small Business Direct Install	58,008	61,837	64,684	0	0%	0	0%	0	0%
Large C&I New Construction	182,346	189,935	198,022	0	0%	0	0%	-95	0%
Large C&I Retrofit	242,966	244,390	251,876	-5,620	-2%	-9,915	-4%	-13,078	-5%
C&I Total	483,319	496,161	514,583	-5,620	-1%	-9,915	-2%	-13,173	-2%
Income Eligible Single Family	36,840	46,970	48,507	0	0%	-1,429	-3%	-1,113	-2%
Income Eligible Multifamily	18,518	13,435	10,055	-655	-3%	495	4%	405	4%
Income Eligible Total	55,358	60,406	58,562	-655	-1%	-935	-2%	-708	-1%
Residential New Construction	15,904	17,174	18,495	1,966	14%	1,987	13%	1,959	12%
Residential HVAC	112,919	126,046	134,654	1,559	1%	2,051	2%	376	0%
EnergyWise Single Family	14,991	15,911	17,445	0	0%	0	0%	0	0%
EnergyWise Multifamily	8,122	7,120	6,336	-163	-2%	1	0%	0	0%
Home Energy Reports	23,359	23,359	22,424	0	0%	0	0%	0	0%
ENERGY STAR® Lighting	0	0	0	0		0		0	
Residential Consumer Products	15,323	15,800	16,283	-1,625	-10%	-2,967	-16%	-3,049	-16%
Residential Total	190,617	205,409	215,638	1,737	1%	1,072	1%	-714	0%
Residential & Income Eligible Total	245,975	265,815	274,200	1,082	0%	137	0%	-1,422	-1%
Portfolio Total	729,294	761,976	788,783	-4,538	-1%	-9,777	-1%	-14,595	-2%



Electric Portfolio Implementation Budget

IMPLEMENTATION BUDGET

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
Small Business Direct Install	\$8,199,942	\$8,574,150	\$8,953,227	\$6,154	0%	\$6,329	0%	\$6,762	0%
Large C&I New Construction	\$9,227,180	\$9,745,064	\$10,292,653	\$495	0%	\$665	0%	\$1,094	0%
Large C&I Retrofit	\$22,797,878	\$23,515,223	\$24,289,402	-\$436,303	-2%	-\$808,547	-3%	-\$1,131,412	-4%
C&I Financing	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - C&I	\$57,914	\$59,461	\$61,051	\$0	0%	\$0	0%	\$0	0%
Commercial Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
C&I ConnectedSolutions				\$0		\$0		\$0	
Commercial Workforce Development	\$74,900	\$74,900	\$74,900	\$0	0%	\$0	0%	\$0	0%
C&I Total	\$40,357,814	\$41,968,799	\$43,671,233	-\$429,654	-1%	-\$801,553	-2%	-\$1,123,556	-3%
Income Eligible Single Family	\$12,237,390	\$13,114,153	\$13,535,276	\$8,581	0%	\$8,756	0%	\$9,265	0%
Income Eligible Multifamily	\$3,784,189	\$2,668,011	\$2,119,719	\$62,226	2%	\$190,973	8%	\$184,406	10%
Income Eligible Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Income Eligible Total	\$16,021,579	\$15,782,165	\$15,654,994	\$70,808	0%	\$199,729	1%	\$193,671	1%
Residential New Construction	\$1,312,727	\$1,498,766	\$1,720,592	\$2,254	0%	\$2,275	0%	\$2,340	0%
Residential HVAC	\$6,563,597	\$7,082,257	\$7,524,130	\$31,151	0%	\$40,676	1%	\$16,938	0%
EnergyWise Single Family	\$16,277,686	\$17,022,632	\$18,105,667	\$7,069	0%	\$7,302	0%	\$8,077	0%
EnergyWise Multifamily	\$1,291,901	\$1,195,557	\$1,108,898	\$76,745	6%	\$79,487	7%	\$75,622	7%
Home Energy Reports	\$2,123,264	\$2,122,104	\$2,120,981	\$8,738	0%	\$8,738	0%	\$8,738	0%
ENERGY STAR® Lighting	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Consumer Products	\$1,987,426	\$2,033,549	\$2,077,960	-\$102,553	-5%	-\$94,871	-4%	-\$97,288	-4%
Energy Efficiency Education	\$0	\$0	\$0	\$0		\$0		\$0	
Comprehensive Marketing - Residential	\$326,506	\$336,254	\$346,295	\$0	0%	\$0	0%	\$0	0%
Community Based Initiatives - Residential	\$139,402	\$143,585	\$147,892	\$0	0%	\$0	0%	\$0	0%
Residential ConnectedSolutions				\$0		\$0		\$0	
Residential Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Total	\$30,022,508	\$31,434,705	\$33,152,416	\$23,405	0%	\$43,607	0%	\$14,427	0%
Residential & Income Eligible Total	\$46,044,087	\$47,216,869	\$48,807,410	\$94,213	0%	\$243,336	1%	\$208,098	0%
EERMC	\$702,267	\$702,267	\$702,267	\$0	0%	\$0	0%	\$0	0%
OER	\$1,386,417	\$1,646,666	\$1,790,537	\$0	0%	\$0	0%	\$0	0%
Rhode Island Infrastructure Bank	\$3,737,500	\$3,737,500	\$3,737,500	\$0	0%	\$0	0%	\$0	0%
Regulatory Total	\$5,826,185	\$6,086,433	\$6,230,304	\$0	0%	\$0	0%	\$0	0%
Portfolio Total	\$92,228,085	\$95,272,101	\$98,708,947	-\$335,442	0%	-\$558,217	-1%	-\$915,458	-1%



Electric Portfolio Cost-to-Achieve

\$/LIFETIME kWh

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
				Change	% Change	Change	% Change	Change	% Change
Small Business Direct Install	\$0.14	\$0.14	\$0.14	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I New Construction	\$0.05	\$0.05	\$0.05	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I Retrofit	\$0.09	\$0.10	\$0.10	\$0.00	0%	\$0.00	1%	\$0.00	1%
C&I Total	\$0.08	\$0.08	\$0.08	\$0.00	0%	\$0.00	0%	\$0.00	0%
Income Eligible Single Family	\$0.33	\$0.28	\$0.28	\$0.00	0%	\$0.01	3%	\$0.01	2%
Income Eligible Multifamily	\$0.20	\$0.20	\$0.21	\$0.01	5%	\$0.01	4%	\$0.01	5%
Income Eligible Total	\$0.29	\$0.26	\$0.27	\$0.00	2%	\$0.01	3%	\$0.01	2%
Residential New Construction	\$0.08	\$0.09	\$0.09	-\$0.01	-12%	-\$0.01	-11%	-\$0.01	-10%
Residential HVAC	\$0.06	\$0.06	\$0.06	\$0.00	-1%	\$0.00	-1%	\$0.00	0%
EnergyWise Single Family	\$1.09	\$1.07	\$1.04	\$0.00	0%	\$0.00	0%	\$0.00	0%
EnergyWise Multifamily	\$0.16	\$0.17	\$0.18	\$0.01	8%	\$0.01	7%	\$0.01	7%
Home Energy Reports	\$0.09	\$0.09	\$0.09	\$0.00	0%	\$0.00	0%	\$0.00	0%
ENERGY STAR® Lighting				\$0.00		\$0.00		\$0.00	
Residential Consumer Products	\$0.13	\$0.13	\$0.13	\$0.01	5%	\$0.02	13%	\$0.02	13%
Residential Total	\$0.16	\$0.15	\$0.15	\$0.00	-1%	\$0.00	0%	\$0.00	0%
Residential & Income Eligible Total	\$0.19	\$0.18	\$0.18	\$0.00	0%	\$0.00	0%	\$0.00	1%
Portfolio Total	\$0.13	\$0.13	\$0.13	\$0.00	0%	\$0.00	1%	\$0.00	1%



Gas Portfolio Savings

LIFETIME MMBtus

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan (Second Draft)		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second Draft)	
Large C&I New Construction	657,560	703,021	754,278	0	0%	0	0%	0	0%
Large C&I Retrofit	1,075,167	1,179,097	1,299,409	0	0%	0	0%	0	0%
Small Business Direct Install	118,655	118,655	118,655	0	0%	0	0%	0	0%
C&I Multifamily	65,609	60,792	56,017	0	0%	0	0%	-71	0%
C&I Total	1,916,991	2,061,565	2,228,358	0	0%	0	0%	-71	0%
Income Eligible Single Family	121,326	121,326	121,326	0	0%	0	0%	0	0%
Income Eligible Multifamily	166,156	160,382	154,693	0	0%	0	0%	0	0%
Income Eligible Total	287,482	281,708	276,019	0	0%	0	0%	0	0%
Residential HVAC	221,257	206,304	177,760	0	0%	0	0%	0	0%
EnergyWise Single Family	613,643	638,879	670,791	0	0%	0	0%	0	0%
EnergyWise Multifamily	104,240	99,654	91,577	0	0%	0	0%	0	0%
Home Energy Reports	85,663	85,663	85,663	0	0%	0	0%	0	0%
Residential New Construction	73,327	74,240	54,796	13,565	23%	13,565	22%	13,565	33%
Residential Total	1,098,130	1,104,739	1,080,587	13,565	1%	13,565	1%	13,565	1%
Residential & Income Eligible Total	1,385,612	1,386,447	1,356,606	13,565	1%	13,565	1%	13,565	1%
Portfolio Total	3,302,603	3,448,012	3,584,964	13,565	0%	13,565	0%	13,494	0%



Gas Implementation Budget

IMPLEMENTATION BUDGET

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year Plan		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan (Second Draft)		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan	
Large C&I New Construction	\$2,125,417	\$2,211,456	\$2,322,696	\$773	0%	\$646	0%	\$651	0%
Large C&I Retrofit	\$4,476,716	\$4,669,879	\$4,954,412	\$1,401	0%	\$1,078	0%	\$1,118	0%
Small Business Direct Install	\$757,394	\$763,996	\$787,667	\$632	0%	\$557	0%	\$549	0%
C&I Multifamily	\$879,874	\$827,762	\$777,627	-\$749,552	-46%	-\$732,349	-47%	-\$717,663	-48%
Comprehensive Marketing - Commercial and Industrial	\$0	\$0	\$0	\$0		\$0		\$0	
Commercial Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Finance Costs	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - C&I	\$3,699	\$3,749	\$3,799	\$0	0%	\$0	0%	\$0	0%
Rhode Island Infrastructure Bank	\$1,262,500	\$1,262,500	\$1,262,500	\$0	0%	\$0	0%	\$0	0%
Commercial Workforce Development	\$32,100	\$32,100	\$32,100	\$0	0%	\$0	0%	\$0	0%
C&I Total	\$9,537,700	\$9,771,441	\$10,140,801	-\$746,747	-7%	-\$730,069	-7%	-\$715,345	-7%
Income Eligible Single Family	\$4,509,586	\$4,617,438	\$4,289,135	\$3,824	0%	\$3,477	0%	\$3,479	0%
Income Eligible Multifamily	\$3,076,634	\$3,032,768	\$2,872,882	\$1,755	0%	\$1,661	0%	\$1,607	0%
Income Eligible Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Income Eligible Total	\$7,586,220	\$7,650,206	\$7,162,017	\$5,578	0%	\$5,138	0%	\$5,086	0%
Residential HVAC	\$1,516,153	\$1,402,302	\$1,235,692	\$1,043	0%	\$896	0%	\$849	0%
EnergyWise Single Family	\$11,084,778	\$11,508,026	\$11,992,924	\$6,835	0%	\$5,941	0%	\$5,991	0%
EnergyWise Multifamily	\$1,439,750	\$1,378,319	\$1,299,704	\$781	0%	\$728	0%	\$703	0%
Home Energy Reports	\$354,901	\$354,773	\$354,650	\$903	0%	\$903	0%	\$903	0%
Residential New Construction	\$579,867	\$616,956	\$474,926	\$545	0%	\$518	0%	\$482	0%
Comprehensive Marketing - Residential	\$79,670	\$82,058	\$84,518	\$0	0%	\$0	0%	\$0	0%
Residential Pilots	\$0	\$0	\$0	\$0		\$0		\$0	
Community Based Initiatives - Residential	\$46,467	\$47,862	\$49,297	\$0	0%	\$0	0%	\$0	0%
Residential Workforce Development	\$0	\$0	\$0	\$0		\$0		\$0	
Residential Total	\$15,101,587	\$15,390,296	\$15,491,711	\$10,106	0%	\$8,986	0%	\$8,929	0%
Residential & Income Eligible Total	\$22,687,807	\$23,040,502	\$22,653,729	\$15,685	0%	\$14,124	0%	\$14,014	0%
EERMC	\$376,533	\$376,533	\$376,533	\$0	0%	\$0	0%	\$0	0%
OER	\$721,888	\$712,616	\$711,263	\$0	0%	\$0	0%	\$0	0%
Regulatory Total	\$1,098,421	\$1,089,149	\$1,087,795	\$0	0%	\$0	0%	\$0	0%
Portfolio Total	\$33,323,928	\$33,901,092	\$33,882,325	-\$731,062	-2%	-\$715,944	-2%	-\$701,331	-2%



Gas Cost-to-Achieve

\$/LIFETIME MMBtu

Program	2024 Three-Year Plan (Third Draft)	2025 Three-Year Plan (Third Draft)	2026 Three-Year Plan (Third Draft)	2024 Three-Year Plan (Third Draft) Compared to 2024 Three-Year		2025 Three-Year Plan (Third Draft) Compared to 2025 Three-Year Plan		2026 Three-Year Plan (Third Draft) Compared to 2026 Three-Year Plan (Second)	
Large C&I New Construction	\$3.23	\$3.15	\$3.08	\$0.00	0%	\$0.00	0%	\$0.00	0%
Large C&I Retrofit	\$4.16	\$3.96	\$3.81	\$0.00	0%	\$0.00	0%	\$0.00	0%
Small Business Direct Install	\$6.38	\$6.44	\$6.64	\$0.01	0%	\$0.00	0%	\$0.00	0%
C&I Multifamily	\$13.41	\$13.62	\$13.88	-\$11.42	-46%	-\$12.05	-47%	-\$12.78	-48%
C&I Total	\$4.98	\$4.74	\$4.55	-\$0.39	-7%	-\$0.35	-7%	-\$0.32	-7%
Income Eligible Single Family	\$37.17	\$38.06	\$35.35	\$0.03	0%	\$0.03	0%	\$0.03	0%
Income Eligible Multifamily	\$18.52	\$18.91	\$18.57	\$0.01	0%	\$0.01	0%	\$0.01	0%
Income Eligible Total	\$26.39	\$27.16	\$25.95	\$0.02	0%	\$0.02	0%	\$0.02	0%
Residential HVAC	\$6.85	\$6.80	\$6.95	\$0.00	0%	\$0.00	0%	\$0.00	0%
EnergyWise Single Family	\$18.06	\$18.01	\$17.88	\$0.01	0%	\$0.01	0%	\$0.01	0%
EnergyWise Multifamily	\$13.81	\$13.83	\$14.19	\$0.01	0%	\$0.01	0%	\$0.01	0%
Home Energy Reports	\$4.14	\$4.14	\$4.14	\$0.01	0%	\$0.01	0%	\$0.01	0%
Residential New Construction	\$7.91	\$8.31	\$8.67	-\$1.79	-18%	-\$1.85	-18%	-\$2.84	-25%
Residential Total	\$13.75	\$13.93	\$14.34	-\$0.16	-1%	-\$0.16	-1%	-\$0.17	-1%
Residential & Income Eligible Total	\$16.37	\$16.62	\$16.70	-\$0.15	-1%	-\$0.15	-1%	-\$0.16	-1%
Portfolio Total	\$10.09	\$9.83	\$9.45	-\$0.26	-3%	-\$0.25	-2%	-\$0.23	-2%



Responsiveness to Council Priorities

APPENDIX B





Responsiveness to Council Priorities

Priority	Assessment
<p>Priority #1: Comply with LCP Standards</p>	<p>Responsive</p> <ul style="list-style-type: none"> Annual Plan provides detailed review, though there are some elements where we do not agree with the characterizations (e.g. Efficacy, whether ‘all cost-effective’ is being fully pursued). Assessment of Cost-Effectiveness portion of LCP Standards Compliance still to be assessed in form of Cost-Effectiveness memo at future Council Meeting
<p>Priority #2: Give Due Consideration to Act on Climate</p>	<p>Partial</p> <ul style="list-style-type: none"> Stakeholders have repeatedly requested RIE provide an interim view of emissions contributions from EE that would align with Act on Climate in lieu of the 2025 Climate Strategy, since that document will not be available in time to inform this 3YP cycle. RIE continues to point to presence of any emissions reductions as evidence of alignment which does not comport with fact of quantitative targets. In current drafts, this was supplemented with specifics from 2022 Climate Update which are appreciated. Plan does include notable decreases of incentives for new gas equipment.



Responsiveness to Council Priorities

Priority	Assessment
Priority #3: Incorporate Stakeholder Input	Responsive <ul style="list-style-type: none"> • RIE provided redlined text and written responses to all comments. However, several substantive comments ‘To Be Addressed’ and several key suggestions not incorporated. • The Company put in effort to fulfill requests for background data in the plan (e.g. C&I participants by consumption class, SBDI participation reporting) even though some other information still pending • Adjustment of gas incentives a key area of responsiveness to input, as is the description of gaps between targets and goals
Priority #4: Ensure an Effective & Efficiency Development & Review Process	Partial <ul style="list-style-type: none"> • Considering the disconnects with the expectations around the first draft Three Year Plan, this year’s review process could have been better. • RIE was responsive to this feedback and significantly expanded second draft of Three-Year Plan • Later than expected delivery of some components (e.g. BCR and Rate and Bill Impact Models) has impacted review



Responsiveness to Council Priorities

Priority	Assessment
<p>Priority #5: Set Ambitious Three-Year and Annual Plan Savings Goals</p>	<p>Partial</p> <ul style="list-style-type: none"> • Ramp up of savings during 3YP, but still substantially below Targets. • New section that specifically seeks to identify and describe reasons the goals fall below the Targets is appreciated, but could offer more quantitative information on specific drivers. • Disconnect regarding continued opportunity for more savings paired with declining budget
<p>Priority #6: Increase Participation in Underserved Communities</p>	<p>Partial</p> <ul style="list-style-type: none"> • Commitment made to develop equity metrics in Q1 2024, but important to ensure that Plan stakeholders and their feedback are actively involved in that process. No reason this process could not continue in Q4 of this year & avoid EWG ‘stop and start’ • Council and others should play more significant role in EWG oversight if that will be venue for finalizing metrics • No commitment to develop an equity component to the PIM despite openness to this in past conversations
<p>Priority #7: Conduct Targeted Workforce Development</p>	<p>Not Responsive</p> <ul style="list-style-type: none"> • Specifics were added for code compliance training but little else in the way of additional details. • WFD seems to be more business as usual • Shifting burden more towards other state entities • WFD spending cut in half from the first draft 3YP/Annual Plan with no clear description of how they will support other entities doing WFD • Lack of workforce diversity identified as a challenge, but no specific solutions proposed in Plan



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Energy Efficiency Plan Update

September 28, 2023



Thee-Year Plan Updates

- Commit to working toward finding opportunities to align with goals and targets in 2025 and 2026
- EM&V: Code Compliance
 - Will monitor for evaluation in this 3-year cycle
- Added back in multi-family Common Area Lighting
- Revamped Consumer Products Program

2024 Annual Plan Updates



Rhode Island Energy™
a PPL company

- Revamped Consumer Products Program
 - Moved clothes dryers, dehumidifiers and window AC from downstream to midstream
- Adding back in common area lighting for MF (EnergyWise and Income Eligible)
- Updated projections for LED street lighting (C&I)
- All CAPs will conduct comprehensive audits (Wx and Appliance)
- CHP project from 2023 now in 2024 (Income Eligible Multifamily Project)
- CHP: Method for Greenhouse Gas Calculation
- Commitment to refining equity metrics
 - Will begin metric analysis in 2023
- Small Business Direct Install
 - Will report participants by size (Annual kWh)
 - Main Streets commitment
- Added GHHI budget for EWG

Electric Portfolio Numbers



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a PPL company

Year	Budget, (Δ from 9/7 #s)	Savings (LT MWh), (Δ from 9/7 #s)	Cost of Savings (\$/LT kWh)	BCR
2023	\$94,802,700*	668,715	\$0.142	1.70
2024	\$96,306,200 (-0.4%)	729,294 (-0.6%)	\$0.132	1.70
2025	\$99,524,700 (-0.6%)	761,976 (-1.3%)	\$0.131	1.75
2026	\$103,091,000 (-0.9%)	788,783 (-1.8%)	\$0.131	1.76

*excluding ConnectedSolutions

All programs show
BCR > 1 in all
years 2024-2026

Gas Portfolio Numbers



Rhode Island Energy™
a PPL company

Year	Budget, (Δ from 9/7 #s)	Savings (LT MMBtu), (Δ from 9/7 #s)	Cost of Savings (\$/LT Therm)	BCR
2023	\$36,931,500	3,537,835	\$1.04	2.06
2024	\$34,230,100 (-1.8%)	3,302,603 (+0.4%)	\$1.04	1.95
2025	\$34,921,200 (-1.8%)	3,448,012 (+0.4%)	\$1.01	1.95
2026	\$35,022,300 (-1.7%)	3,584,964 (+0.4%)	\$0.98	1.99

All programs show
BCR > 1 in all
years 2024-2026



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STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL DRAFT MEETING MINUTES

Thursday, September 28, 2023

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2A, Providence, RI 02908
with remote participation via Zoom

Members in Attendance: Harry Oakley, Kurt Teichert, Sue AnderBois, Brett Feldman, Carrie Gill (interim RIE representative), Peter Gill Case, Priscilla De La Cruz, Tom Magliochetti, Joe Garlick, Bob Izzo, Chris Kearns

Others in Attendance: Toby Ast, Emily Koo, Michael O'Brien Crayne, Mark Siegal, Brendan Dagher, Spencer Lawrence, Rachel Sholly, Sam Ross, Craig Johnson, Adrian Caesar, Rebecca Foster, Robert Stephenson, Jennifer Mortenson, Angela Li, Emma Rodvien, Steven Chybowski, William Owen, August Bogner (virtual), Kallie Longval (virtual), Rachel Dortin (virtual), Nelson DiBiase (virtual), Daniel Tukey (virtual), John Harrington (virtual), Kathryn Cleary (virtual), Sara Sultan (virtual), Samantha Caputo (virtual), Claire Kokoska (virtual), Jordan Galluzzo (virtual)

1. Call to Order

Chairperson Oakley called the meeting to order at 3:05 p.m.

2. Chair Report

Chairperson Oakley delivered the chair report, noting meeting materials posted online, instructions for virtual attendance via Zoom, submission of public comments, and that Carrie Gill had taken an interim Rhode Island Energy Council seat vacated by Kate Grant until a formal replacement can be appointed. He summarized the agenda for the meeting, including the goal of completing review and voting on the RIE 2024-2026 Three Year and 2024 Annual Energy Efficiency plans.

3. Executive Director Report

Acting Commissioner Kearns delivered the Executive Director report noting Clean Heat Rhode Island's progress in delivering heat pump incentives, including 168 applications underway and 300 energy consultations booked through the end of November. He also commented on the tentative approval of the \$1.6 million Energy Efficiency Conservation Block Grant for municipal energy efficiency improvements which will be supplemented with \$1 million of Regional Greenhouse Gas Initiative (RGGI) funding for an expected program launch in late October or early November. Applications for the Efficient Buildings fund are due Oct. 6th as additional municipal energy support. Lastly, Rhode Island Energy is expected

to put out a new request for proposals (RFP) for up to 1,200 MW of offshore wind, which will coincide with procurements from Massachusetts and Connecticut.

4. Meeting Minutes – September 14, 2023

Chairperson Oakley motioned to approve the September 14th minutes. Councilmember Teichert seconded. Council Members Oakley, Teichert, AnderBois, Gill Case, Magliochetti, Garlick, and Izzo voted in favor. Council Member De La Cruz abstained, and the meeting minutes were approved.

5. Program Oversight (85 minutes, 3:10 – 4:35 p.m.)

a. Rhode Island Energy Presentation on the Final Drafts of the 2024-2026 Three-Year Energy Efficiency Plan and the 2024 Annual Plan (25 minutes, 3:10 – 3:35 p.m.)

Council Member Feldman, Mr. Ast and Mr. O'Brien Crayne presented Rhode Island Energy's changes to the final draft of the 2024-2026 Three-Year Energy Efficiency (EE) Plan and the 2024 EE Program Plan. Mr. Feldman noted the effort put in over the year to develop the plan, the timing of the delivery of the Equity Working Group's (EWG) recommendations to the plan, and his personal history in working to advance equity considerations. Mr. Ast noted the addition of language toward finding opportunities to align subsequent plan drafts with the goals and targets, the potential impacts to Evaluation Measurement & Verification studies due to code changes, and additional changes to some program incentives around appliances, lighting, street lighting, CAP agency engagement in energy auditing, and combined heat and power projects.

Vice Chair Gill Case asked to clarify downstream to midstream, and it was noted downstream is at the retail level and midstream is at the product distribution level. Vice Chair Gill Case inquired that greenhouse gas calculations would be lifetime measures for both saving and gas usage which Mr. Ast confirmed. Mr. Ast noted refinement of equity metrics, small business participation metrics and the additional budget for the Green and Healthy Homes Initiative budget for the EWG in 2024. Council Member Teichert asked for clarification around the 1.5-million-kilowatt hours (kWh) consumption threshold with the small business program, and Mr. Ast noted this was an increase from the previous threshold of 1 million kWh.

Mr. O'Brien Crayne presented on changes to the in the final draft which showed a slightly higher benefit-cost analysis (BCA) for the gas program. Vice Chair Gill Case asked how the results of the Future of Gas docket will be incorporated in the Company's planning going forward. Mr. O'Brien Crayne noted that they continue to work with the gas sector team and that Lee Gresham from RIE serves on the Stakeholder Committee and Technical Working Group for that docket. Mr. Ross also noted that the Council's Consultant Team had been selected to participate in the Technical Working Group and would be working to ensure a sound, effective, analysis of the scenarios developed by the Stakeholder Committee. Council Member Feldman commented on the approval of RIE's Advance Meter Functionality (AMF) proposal and expressed enthusiasm for that deployment to enhance offerings with next generation program design. Council Members expressed interest in hearing more about AMF.

Chairperson Oakley took a moment to address the timing of the Equity Working Group recommendations given the Council's considerations of the plans during the meeting, and he set the expectation that the October Council meeting would begin with a review and discussion of the final EWG recommendations.

2024-2026 Three-Year Energy Efficiency Plan

b. Consultant Team Presentation on the Final Draft 2024-2026 Three-Year Energy Efficiency Plan (10 minutes, 3:35 – 3:45 p.m.)

Mr. Ross, Mr. Johnson, and Mr. Caesar from the Council's Consultant Team summarized comments and feedback on the final draft 2024-2026 Three-Year Energy Efficiency Plan. Mr. Ross began with a high-level assessment that the plan was cost-effective and lowers bills for Rhode Islanders. Mr. Ross continued that the Council's concern with alignment of the plan with targets and goals was balanced against recent year's under-delivery of programming. The Council's desire for an equity-based service quality adjustment in the EE performance incentive mechanism was not adopted, but RIE has engaged in continued discussion on equity metrics and how to prioritize equity going forward. Mr. Ross commented that measures were updated with a greater emphasis on council priorities.

Mr. Caesar presented visuals of the BCA to show the Plan's lifetime savings potential, slight decreases between the previous plan review and final draft review, and the actual delivery of program savings. Vice Chair Gill Case commented on the Council desire to see gas savings drop as gas usage drops. Mr. Ross noted the opportunity for efficiency will lower potential savings as gas usage decreases, but that there are savings opportunities through weatherization and efficiency to achieve savings without investing in gas services.

Mr. Caesar covered the Commercial and Industrial (C&I) changes in the final draft, and how additional savings could be pursued more deeply within the plan. He expressed encouragement for the pilot demonstration for C&I weatherization and the prioritization of workforce development.

Mr. Johnson outlined the Residential and Income Eligible changes, noting the encouraging assessment of how to serve historically underserved customers, scaling back of gas equipment incentives, the transition from electric resistance heating to heat pumps and coordination with the State, and highlighting the move toward an all-electric transition for new construction. Mr. Ross provided the Consultant Team's summary that the Plan meets the requirements and primary objectives of the Council, and presented the Council's options for endorsement and vote language on the plan.

Chairperson Oakley solicited discussion from the Council. Council Member AnderBois shared concern that obstacles to implementation capacity should not restrain plan goals and that they should be solved in order to meet the goals. She also noted the importance of EE to meet the goals of the 2021 Act on Climate and the

need for exploring additional pathways to connect with small businesses, especially BIPOC owned businesses, and that gas service should not be funded with program funds in new buildings, but overall, the plan is sound and is confident the plan can be improved and delivered at a higher level. Council Member De La Cruz noted her hesitation with the plan goals and equity considerations and seeking an opportunity to endorse the plan while providing concerns for plan direction.

Chairperson Oakley echoed confidence in the RIE EE team, the challenges inherent in the transition owing from the sale of company, and that work on this plan can help to further the Council's role in educating the public on the importance of efficiency. Council Member Magliochetti expressed agreement with the discussed sentiments.

c. Council Discussion & Vote on the 2024-2026 Three-Year Energy Efficiency Plan (10 minutes, 3:45 – 3:55 p.m.)

Vice Chair Gill Case motioned to endorse the 2024-2026 Three-Year Energy Efficiency Plan as presented by Rhode Island Energy to the Council on September 28, 2023, allowing for non-substantive changes (typos, etc.) to be done prior to filing. Council Member AnderBois seconded. All in favor, none opposed.

2024 Annual Energy Efficiency Plan

d. Consultant Team Presentation of the Final Draft of the 2024 Energy Efficiency Program Plan (15 minutes, 3:55 – 4:10 p.m.)

The Council's Consultant Team summarized comments and feedback on the final draft of the 2024 Energy Efficiency Program Plan, including the final memo the Consultant Team provided to RIE to refine the final draft of the plan, how quantitative details were resolved, electric and gas portfolio changes compared to the 2022 actual results and the 2023 program plan, and how the annual plan aligned with Council EE priorities. Mr. Caesar noted how workforce development efforts needed more focus on delivery and execution, citing Massachusetts utilization of the Mass Clean Energy Center. Vice Chair Gill Case commented on the level of effort needed to meet the energy transition requirements and the need for equity and workforce development in that change.

Mr. Caesar presented C&I sector highlights from the plan including the new data tracking system, which will add additional reporting capabilities and trend insights. Mr. Caesar and Mr. Ross noted how those reports could drive new insights into how programs can be refined and enhanced, such as being able to identify underperforming measures which could benefit from increased incentive levels. Chairperson Oakley asked if this tool would be utilized as a tracking tool for stakeholder analysis and reporting or as customer facing tool. Mr. Caesar noted this was part a tracking tool, and Council Member Feldman commented on RIE's excitement for enhanced capacity. Mr. Ross noted the MA program portal had portfolio level statistics available as a reference.

Mr. Caesar noted the improved technical uptake through savings calculators for targeted measures, the increase in the Small Business Direct Install threshold and how different consumption classes participation rates were reported. Council Member AnderBois asked if the energy consumption ratio could be included and the Consultant Team explained how energy usage was allocated across those customer classes, and the dedicated resources large consumers possessed to pursue energy savings measures and turn-key solutions available to them. The Council discussed the allocation of potential savings across classes and the utilization of incentives commensurate with their energy usage. Mr. Feldman noted RIE's reporting and market analysis efforts to help increase visibility into these metrics. Mr. Feldman noted that the data was based on a specific analysis and Mr. Ross said the Consultant Team could retrieve that information for a longer conversation later. Next, Mr. Caesar noted areas for improvement including a C&I customer working group or recurring forum for discussion and delivery of program details and how to better understand how State and Federal offerings can supplement EE programming.

Mr. Johnson detailed the updates for the Residential and Income Eligible sectors in the final annual plan, including changes to enhancements to multifamily financing and vendor metrics, combined home energy assessment and equity outreach, reduced gas incentives, and new construction program redesign. Mr. Johnson expressed interest in seeing how the new data dashboard could be used to provide informative reports for program design how new approaches for residential customers could improve results by factoring in the different requirements, and whether programs could better support pre-weatherization funding and enhanced incentives for certain customer classes related to high-entry cost incentives.

e. Council Discussion and Vote on the 2024 Annual Energy Efficiency Plan (20 minutes, 4:10 – 4:30 p.m.)

The Consultant Team presented the Council's obligations and vote options. Council Member Teichert asked whether residential visualizations similar to the C&I graphs presented was available. The Consultant Team and the RIE team noted how the residential usage data was currently and could potentially be organized to provide greater insight along rate class, housing type, and income levels. Council Member Magliochetti inquired whether the new data portal would provide access to data at a more relevant level to enable discussion. Mr. Ross recommended this topic be reserved for the upcoming LEAD session to allow the C-team and the Company to work through a fuller understanding of the scope and depth of the potential inquiries available.

Vice Chair Gill Case asked if there was anything in the PIM structure that incentivized the Company to target a lower level of plan performance. Mr. Ross noted the challenge in performance mechanism design drives toward either planning or implementation and not both, adding the RI process was implementation-focused and the how the RI structure is influenced by the bottom-up stakeholder process, as well as noting other potential mechanism structures. Mr.

Feldman noted the incentive cap for the PIM, and Chairperson Oakley commented on the complexity of the PIM and SQR and the Council desire to better understand the RI PIM structure at a future Council or LEAD session. Council Member Teichert agreed that the added metrics potential from the new system designs could add to the capacity to address equity related target concerns. Vice Chair Gill Case called out the skew of the data due to lighting acceleration and deceleration within the portfolio as well as the impact of Covid on performance over the first three years of the PIM.

Vice Chair Gill Case motioned to endorse the 2024 Energy Efficiency Plan as presented by Rhode Island Energy to the Council on September 28, 2023, allowing for non-substantive changes (typos, etc.) to be done prior to filing. Council Member Teichert seconded. All in favor, none opposed.

f. Consultant Team Presentation on the Cost-Effectiveness Report for the 2024 Annual Energy Efficiency Plan (5 minutes, 4:30 – 4:35 p.m.)

Mr. Johnson from the Council's Consultant Team gave a brief overview of the cost-effectiveness reports which the Council will review and vote on at the October Council meeting. The report will need to be submitted within two weeks of the company filing the final version of the Plans with the Public Utilities Commission and Mr. Chybowski noted the need to have a quorum of the Council for the October meeting to vote on that report.

6. Council Business (15 minutes, 4:35 – 4:50 p.m.)

a. Review and Discussion of Council Logo Designs (10 minutes, 4:35 – 4:45 p.m.)

Ms. Sholly of the Council's Consultant Team presented on the latest drafts of the Council's new logo design options and solicited feedback from the Council for final design guidance. Council Members discussed how effectively the logos represented the Council, lent itself to the intended streamlining of the Council's appellation, and aligned with the Council's goals the rebranding effort.

b. Discussion of Potential LEAD Session Topics (5 minutes, 4:45 – 4:50 p.m.)

Ms. Sholly of the Council's Consultant Team solicited feedback on potential discussion topics for the Fall LEAD Session on Monday October 30th. She presented an overview of the LEAD session purpose, and presented a potential agenda which would be shared again at the October Council meeting.

7. Public Comment

Jennifer Martinson

Ms. Martinson inquired and requested that outdoor power equipment be included in energy efficiency programming.

Emily Koo, The Acadia Center

Ms. Koo expressed appreciation for the continued discussion around equity metrics and mentioned how energy efficiency could be leveraged into rental registries and the potential for energy efficiency to inform a performance income payment plan.

Mr. Chybowski read an online submission of Jennifer Martenson's comment:

"Gas-powered landscaping equipment is very inefficient and produces large amounts of dangerous air pollution. Many states already offer trade-ins, rebates, and information to help people cut down on fossil fuel use in the yard. Rhode Island should include lawn equipment in programs aimed at improving energy efficiency and reducing fossil fuel use at home. Utah, Colorado, and California are among states that have provided rebates for homeowners to trade in their gas lawn tools, with programs like "Mow Down Pollution" and "Charge Your Yard." It's time for Rhode Island to include outdoor space in calculations of energy use at home."

Chairperson Oakley noted the role of the Council in receiving and responding to comments like those and expressed appreciation for the comment.

8. Adjournment

Chairman Oakley motioned to adjourn at 5:04 p.m. Council Member Izzo seconded. All in favor, none opposed.

Memo



To: Equity Working Group
From: EERMC Consultant Team
Date: TBD
Subject: Assistance with 2024-2026 Plan Development

CONSULTANT TEAM

On behalf of the Energy Efficiency & Resource Management Council (EERMC or Council), we request the assistance of the Equity Working Group (EWG) in developing recommendations to advance the EERMC's priority for the 2024-2026 Plan term to *Increase Participation by Historically in Underserved Customers*. The EWG has proven to be an effective forum for stakeholder input on matters regarding equitable service, and the Council values the contributions this group has made and will continue to make in advancing equitable delivery of RI Energy's energy efficiency programs.

In its [March 16 priorities memorandum to Rhode Island Energy](#) (the Company), the Council set forth a number of priorities and priority strategies to the Company for the Draft 2024 Energy Efficiency Annual Plan, 2024-2026 Energy Efficiency Three-Year Plan, and SRP Plan. With regard to its priority that the Company will *Increase Participation by Historically Underserved Customers*, the EERMC seeks assistance and recommendations from the EWG to support the Company's achievement of these expectations:

- **Identify clear and objective determinations of success.** These will allow RI Energy, the Council, and stakeholders to understand progress in achieving goals of increasing participation in underserved communities.
- **Set and achieve ambitious savings goals for Income Eligible Single Family and Multifamily and EnergyWise Multifamily programs.** These programs serve the most vulnerable customers in Rhode Island. In addition, these programs have high proportions of historically underserved customers per the Participation and Multifamily Census¹ and Nonparticipant Market Barriers² Studies. All of these programs have been struggling to meet planned goals, and remedying this situation is critical. The EWG could provide valuable insights regarding how delivery of this program could be improved to increase performance results.
- **Increase financial investments in serving historically underserved populations, including enhanced financial incentives to those customers across efficiency offerings.** The Council would like to understand the amount of money the Company will be dedicating to equity efforts. We understand that the EWG has previously discussed this topic, and we would like to advance to a transparent presentation of this information.
- **Identify and implement program improvements that will facilitate ease of participation, including through streamlining of participation steps, documentation requirements, and income verification processes.**
- **Enhance and increase municipal and other community-based partnerships, particularly to include partnerships with underserved communities.** Members of the EWG are strongly positioned to assist in shaping effective community-based partnership models for the Company.

¹ Available online at: http://rieermc.ri.gov/wp-content/uploads/2022/06/ng-ri-part-mf-study-comprehensive-report_final_20may2022.pdf

² Available online at: http://rieermc.ri.gov/wp-content/uploads/2022/06/ng-ri-nonparticipation-study-report_final_16june2022.pdf

- **Target workforce development efforts to serving contractors in underserved communities** (see also the Council's separate priority *To Deliver Targeted Workforce Development*). This could build on the EWG's prior work on workforce development.

Given the development and review schedule for the Plans, your input and recommendations on these matters will have the greatest impact if provided to the Council by the end of July so they can be reviewed and discussed at its August 17 meeting, which will be the Council's final opportunity to provide input to the Company before it finalizes its 2024-2026 and 2024 EE Plans for stakeholder consideration.

Thank you for your service and your work to advance equitable delivery of Rhode Island Energy's energy efficiency programs.

Equity Issue/Challenge	Year 3 Recommendations
<p>Participation Barriers: Rhode Island Energy's energy efficiency programs continue to see low participation rates among BIPOC residents.</p> <p>The RI Participation and Multifamily Census study reported non-participants in RI are more likely to be renters, have low-to-moderate incomes, and to be non-English speakers. The Non Participation Market Barriers study reported that 18% (43,304) of nonparticipants were from non-English speaking households.</p> <p>Lastly, reported in the Company's 2023 Q2 Equity Updates, of the 14,614 emails sent to residents in the 5 equity communities, only 27 Spanish residents and 10 Portuguese residents clicked on the email to translate the contents.</p>	<p>1) Increase participation rates from residents living in the 5 Equity Communities (or Justice40 or EJ Communities) across the EnergyWise and IES Programs by XX% by the end of 2024</p> <p>2) Offer Home Energy Assessments (HEAs) in at least 4 languages other than English (e.g. Spanish, Portuguese, Chinese (Cantonese/Mandarin), Creole) by the end of 2024</p>
<p>Multifamily Barriers: Multifamily housing has always been a difficult areas for energy efficiency program implementers to reach due to a variety of barriers.</p>	<p>1) Increase participation rates in EnergyWise Multifamily and Income Eligible Multifamily Programs by XX% over the 12 months in the 5 Equity Communities (or Justice 40/EJ Communities Why would this be limited to the Equity communities? It should be happening everywhere. I had previously suggested that the Equity Working Group could play an important in providing valuable insights regarding how delivery of these multifamily</p>
<p>Pre-Weatherization Barriers: The issue of Wx barriers is widespread in RI. RISE reported of the 11,930 homes receiving assessments, 41% house received weatherization services. In the EnergyWise (market rate) Program 9,251 households were assessed and 45% (4143) were weatherized. In the IES program, 2,679 homes were assessed and 28% (758) were weatherized. Housing conditions (mold, structural issues, etc.) are a common source of deferral from Wx programs, particularly for low and moderate income households, and must be addressed to close disparities in the HEA to Wx conversion rate between market rate and low/moderate income programs.</p>	<p>1) Close the gap in the Conversion to Weatherization ratio between Energywise and IES programs by XX% over the next XX months in the 5 Equity Communities(or Justice 40 or EJ Communities)</p> <p>2) Provide additional funding for barrier remediation</p>

<p>Workforce Development/Training: Reported in the E4theFuture Report, Energy Efficiency Jobs in America (2021), it was reported that for Rhode Island's energy efficiency workforce, white males make up over 77% of the workforce while Hispanic, Black, and Asian workers make up 15.9%, 6.2%, and 4.5%, respectively. In addition, women only make up 22% of the EE workforce in RI</p> <p>In addition, having a skilled workforce that better reflects the communities that it serves</p>	<ol style="list-style-type: none"> 1) Increase the % of BIPOC workforce training participants and contractors that reside in the 5 Equity Communities (or Justice 40/EJ Communities) year over year by XX% 2) Increase # of and capacity of minority contractors by XX% in 2024 3) Increase the # and size of contracts awarded to MWBEs by XX% in 2024.
<p>Metrics Tracking/Reporting: Based on RI EWG member feedback, Rhode Island Energy continues to miss the mark on sharing meaningful metrics and progress.</p> <p>In order to better share progress over time and identify issues and solutions, members agreed that RI Energy must develop a dashboard of key equity related metrics, including baseline data and targets.</p>	<ol style="list-style-type: none"> 1) Through Q4 2023, work with the RI EWG to finalize dashboard format, including metrics, baseline data, and targets that the Company can commit to tracking.
<p>Microbusinesses and small-businesses (<250,000 annual kWh electric consumption) comprise the largest share of unique C&I customer accounts, but have the lowest participation rates among C&I customers due to several challenges including split incentives, lack of technical capacity, and limited capital.</p>	<ol style="list-style-type: none"> 1) Leverage findings from the 2023 Small Business Process Evaluation to improve program strategy 2) Conduct Main Street efforts in all five communities identified in the 2024-2026 EE Plan Narrative 3) Develop translated program materials, as suggested in the SBDI Process Evaluation

Suggested Strategies to Implement Recommendation

1) Build a network of X community-based partners that **conduct marketing and outreach and provide** programs and services in the 5 Equity Communities (or Justice 40/EJ Communities), with the majority of these partners being women or BIPOC-led. **Provide adequate financial and other resources to accomplish this.**

2) Develop a Marketing and Outreach Strategy with selected partners to outline opportunities and best practices (e.g. the partner sending out program marketing resources on behalf of the Company) **ML: text added above is intended to cover strategy 2, so it could possibly be deleted**

1) Develop a strategic plan with landlords/MF property owners with detailed examples of how RIE will serve and reach MF landlords (including partnership ideas)

2) Continue to work the RI EWG to support the Equity Demonstration, including next steps regarding the application process, etc.

3) Leverage additional funding to increase the pool of funds available for partnering community-based organizations (CBOs) under the Equity Demonstration

1) Strategically align, braid and leverage additional Healthy Homes, Lead Hazard Control, and other programs to address housing conditions that result in Wx deferrals to get more homes weatherization ready (aka whole house strategy. GHHI happy to explore partnership re: HUD HHP Program)

2) Work with partners to explore and secure new sources of housing rehabilitation funding (ie. RGGI) that can be used to make units weatherization (and ultimately electrification) ready.

- 1) Host biannual workshops for contractor businesses in order to increase availability and support for vendors to become certified MWBEs
- 2) Connect w/ the Division of Equity, Diversity, & Inclusion to assess and address MWBE certification barriers
- 3) Continue to fund workforce development partnerships (e.g. the Residential Construction Workforce Partnerships)
- 4) Study the success in achieving retention in both training and job placement within the RCWP to ensure program effectiveness and address barriers

- 1) Develop a data and metrics reporting template to better track progress (e.g. side by side comparisons to highlight conversion rates, increase/decrease of participation over time and across geographic areas)
- 2) Share the dashboard quarterly with key stakeholders

- 1) Increase the number of Main Street efforts conducted in zip codes with lower historical participation.
- 2) Include efforts to serve small businesses as part of the new Community-based initiative (currently slated to provide \$40,000 in funding to a limited number of communities). In addition, expand this initiative to include more communities by increasing funding allocated to participating communities.
- 3) Retain financing offers for small-business customers to overcome upfront cost barriers (the latest 2024 Plan seemed to remove funding for C&I Financing)
- 4) Make concerted efforts to increase participation in programs by MWBE contractors, as suggested above in the recommendation on Workforce Development
- 5) Continue to seek multilingual staff in all aspects of program implementation, including increasing compensation to reflect linguistic skills.
- 6) Translate program materials to languages other than English which have high prevalence in underserved communities. If available, leverage tools like artificial intelligence to support this work (papercup.com is an AI-driven tool that can translate videos into several languages, and there are many tools that can be used to translate text).
- 7) Provide language access services, support, and materials during Main Streets

Suggested Metrics (feasible and attainable for RIE to collect and share)

- 1) # of new partners
- 2) # of referrals from CBOs/partners
- 3) Increase # of participants who receive a HEA in Spanish & Portuguese by X%
- 4) Increase # of participants who receive Wx after receiving a HEA in Spanish or Portuguese by X%
- 5) Increase # of participants in EJ Communities by X%
- 6) # of Participants residing in Environmental Justice communities vs. Non-EJ communities
- 7) # of stakeholder events vs # of stakeholder events in EJ communities
- 8) \$ spent to engage with CBOs and residents in EJ communities including participation and notification of programs **ML: I think a better metric is incentives spent in EJ vs. non**
- 9) Increase Spanish & Portuguese Click Rates by X% (based on July 2023 email/letter outreach to residents in the 5 equity communities)
- 10) # of Participants broken down by income, race, primary language, etc.
- 11) \$ spent on language access **ML: how meaningful is this? Seems like incentives spent and participation by language isolated customers is more significant metric**
- 12) % of eligible customers reached at events
- 13) # of HEA customers that learned about or signed up at an outreach event in each outreach service area

- 1) Finalized MF/Landlord Outreach Strategy
 - 2) # of landlords reached
 - 3) # of new areas of feedback
 - 4) # of customers providing feedback
 - 5) # of points of contact before participation
 - 6) # of new MF participants
 - 7) # of new MF participants/demo \$ spent
 - 8) Total associated customer energy savings (\$)
 - 9) Conversion rate of contacts to participants (%)
 - 10) \$ spent on renter populations/landlord engagement
- Incentives spent on rental properties vs. ownership properties (separate for SF and for condos)**

- 1) Energy saved or reduction in fuel use
- 2) \$ saved in energy costs due to Wx and adoption of EE measures
- 3) % of cases with Wx issues resolved
- 4) % of eligible customers participating in HEAs
- 5) % resolution of pre-Wx barriers
- 6) % conversion from HEA to Wx
- 7) % of total energy savings benefitting residential customers in EJ communities
- 8) year by year increase in energy savings benefitting customers
- 9) New funding (\$) available to address pre-Wx barriers

- 1) # of contracts **awarded** to MWBEs compared to the total # of contracts **awarded** overall
- 2) \$ spent on MWBE **contracts** vs \$ spent **on all contracts**
- 3) % of jobs by MWBEs,
- 4) Size of jobs for MWBEs vs Non MWBEs
- 5) Through RIBA's RCWP, report on the following:
 - # of graduates
 - # of graduates staying with the CAP agency
 - Demographics of participants/graduates (income, race, location, etc.)
 - # of jobs created
 - \$ spent on workforce offerings
 - # of participants from EJ communities in EE-related job trainings, programs, apprenticeships, STEM education, tuition, scholarships, etc.

- 1) Completion of the dashboard
- 2) # of updates per year (quarterly updates)

- 1) Total eligible SBDI customers by zip code or census tract
- 2) SBDI participation by zip code or census tract
- 3) Unique C&I customer accounts by consumption category (e.g. less than 250,000 kWh, 250,000-500,000 kWh...)
- 4) C&I participation by consumption category (e.g. less than 250,000 kWh, 250,000-500,000 kWh...)
- 5) Number of RI Energy and RI Energy vendor staff that speak languages other than English with prevalence in RI (disaggregated by language)
- 6) Total SBDI participation by customers who report to speak languages other than English

Suggested Targets (tied to select metrics)

1) Establish partnerships with 1-2 CBOs in each of the EJ Communities to increase participation from BIPOC households **Important metric for sure, but what about an income dimension as well? E.g., renters, who generally have lower incomes than homeowners. And I think there are actually 2 metrics here: 1 to establish partnerships and 2 to increase participation by underserved populations (which in and of itself could include multiple targets)**

2) Through improved outreach in equity communities, reach a total of 850 new households **What does "reach" mean. This target doesn't appear to have much meaning.**

3) 5% of eligible customers reached at events

4) 40% of outreach events conducted in EJ communities)

5) 5-25 HEA customers learned about or signed up at an outreach event in each outreach service area

1) 5-10 Referrals per month from supporting CBOs

2) Develop & Finalize a MF/Landlord Engagement Strategy w/ support from the RI EWG

3) Host Quarterly (at minimum) Landlord Workshops

Also need more outcome-based targets here (instead of or in addition to task-based targets) E.g., increase renter participation by x%

4) Identify Flexible Funding Pool for Supporting CBOs & Other Potential Needs

1) Achieve 35% Resolve Rate for Pre-Weatherization Barriers across the EE Program Portfolio **Should be higher**

2) 20% of eligible customers participate in Home Energy Audits (HEAs)

3) 50% conversion rate from HEA to Wx (for those in which Wx is identified)

4) 40% of total energy savings benefitting residential customers in EJ communities

5) Total quantity (\$#) of energy savings to customers increase by 15% from previous year

- 1) 5-10 individuals trained in each outreach service area with a focus on EE, incoming rebates/incentives, etc.)
- 2) Increase # of Wx/EE jobs by 15%
- 3) 20% of total Wx jobs performed by MWBEs

- 2) The goal for participation in underserved zip codes should at least match historical participation rates in communities that have been well-served and actually benefitted from program offerings (this is a range, but the Small Business Process evaluation suggests that the most well-served communities have participation from 6.1% up to 14.3%.
- 5) Target is more qualitative in nature, in that the goal is to have program staff and resources that can support customers who speak all common languages in the state.
- 6) If the total number of small-business customers who speak languages other than English is known, then the goal should be at least 3%. If the total number is unknown, then the focus should be on expanding language access through translated materials, customer phone lines, and multilingual program staff/vendors.

Additional Notes	Best Practices/Resources - National, Regional, & Local
<p>The RI EWG does acknowledge that the IES program had higher participation rates than the market rate programs: IES had 29.8% renter participation in HEAs and 15.6% renter/landlord Wx participation through Q2 2023 while the EnergyWise programs had 12.7% renter participation and 10.2% landlord/renter Wx participation. However, It looks like some text got dropped here. It is highly likely that renters comprise a higher percentage of IES customers than of market rate. I had asked RI Energy to provide any information they have on this.</p> <p>Connecting w/ CBOs: This connection can help RIE better understand how to best disseminate these resources with various groups of people based on language limitations</p> <p>PVD Language Access Toolkit: Linked in the next column - however, it was noted that RIE struggled with creating a EE focused language access plan. The RI EWG</p>	<ol style="list-style-type: none"> 1) Rhode Island Energy - Non Participant Market Barriers Study (2022) 2) Participation & Multifamily Census Study 3) City of Providence Language Access Toolkit 4) Mass Save Language Access Plan 5) ACEEE - Leading Energy Efficiency Programs Model Strategies to Benefit Underserved Communities 6) ACEEE - Toward More Equitable Energy Efficiency Programs for Underserved Households 7) Climate & Economic Justice Screening Tool
<p>RIE has allocated \$40k to work with CBOs, and they thought they could center the funding around reaching MF landlords - however, EWG members feel this number is not enough to support robust outreach and education efforts across the state or in our equity communities.</p> <p>Depending on which option is selected, for Option 1 - the RI EWG recommends to tie education and awareness around the new rebates/incentives from the IRA to encourage participation</p>	<ol style="list-style-type: none"> 8) ACEEE - Reaching More Residents: Opportunities for Increasing Participation in Multifamily Energy Efficiency Programs 9) Multifamily Energy Efficiency Retrofits: Barriers and Opportunities for Deep Energy Savings
<p>RIE are working with RI DHS on income-eligible customers to overcome barriers. The Company and DHS have worked to leverage all the program, state, and federal funds. DHS will have federal funding for training, weatherization, and some through the BIL funding for barriers.</p> <p>MA offers up to \$7500/household for income verified moderate-income customers for Wx barrier removal</p> <p>Regarding Goal 3, the RI EWG recommends to compare follow through rates by geographic area, income level, and other factors (e.g., language)</p>	<ol style="list-style-type: none"> 10) E4TheFuture - Overcoming Weatherization Barriers 11) Midwest Energy Efficiency Alliance (MEAA) - Income Qualified Program Innovations to Reduce Deferral Rates 12) CT DEEP - Connecticut Statewide Weatherization Barrier Remediation Program

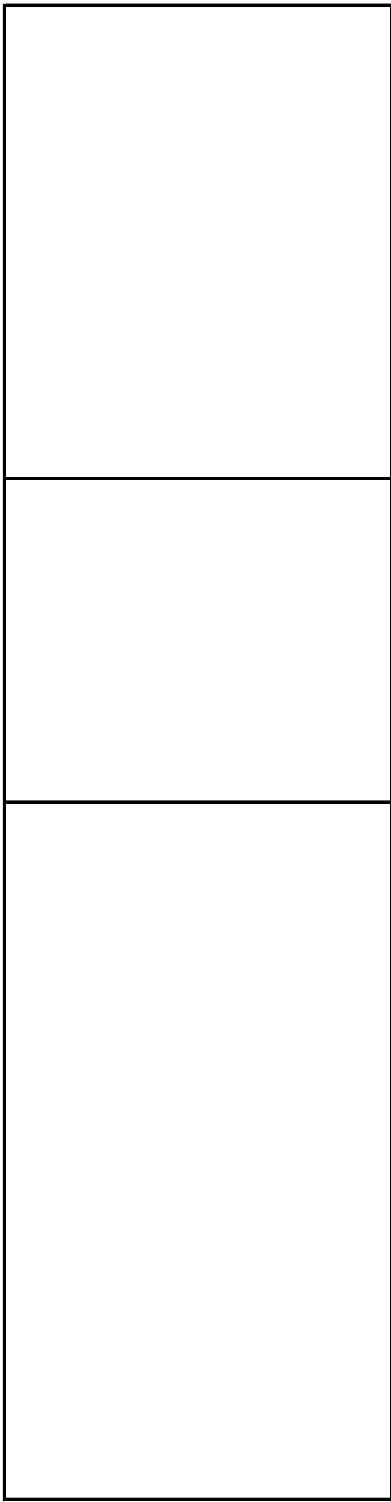
<p>The RI EWG recommends the Company to include any opportunities for comment or engagement for members regarding how the Company will work with the state agencies who host workforce trainings and expand these offerings.</p> <p>The RI EWG also noted for the Company to consider working with third parties who already have the trust and following of the community and build on that.</p>	<p>13) NEEP - Equitable Workforce Best Practice Guidance</p>
	<ol style="list-style-type: none">1) 2023 RI Small Business Process Evaluation2) City of Providence Language Access Toolkit3) ACEEE - Leading Energy Efficiency Programs Model Strategies to Benefit Underserved Communities4) Climate & Economic Justice Screening Tool

Year 3 Updates

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Appendix of Resources

- [1\) Non Participant Market Barriers Study](#)
- [2\) Participation & Multifamily Census Study](#)
- [3\) City of Providence Language Access Plan](#)
- [4\) Leading Energy Efficiency Programs Model Strategies to Benefit Underserved Communities](#)
- [5\) Toward More Equitable Energy Efficiency Programs for Underserved Households](#)
- [6\) Climate & Economic Justice Screening Tool](#)
- [7\) Reaching More Residents: Opportunities for Increasing Participation in Multifamily Energy Efficiency Programs](#)
- [8\) Multifamily Energy Efficiency Retrofits: Barriers and Opportunities for Deep Energy Savings](#)
- [9\) Overcoming Weatherization Barriers](#)
- [10\) Income Qualified Program Innovations to Reduce Deferral Rates](#)
- [11\) Connecticut Statewide Weatherization Barrier Remediation Program](#)
- [12\) Equitable Workforce Best Practice Guidance](#)



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Energy Efficiency Working Group – Year 3 Matrix

Equity Working Group Meeting 09/29/2023

The Company conducted an initial review of the EWG Year 3 Matrix

- + Thank you to all stakeholders who provided feedback and recommendations
- + We will provide initial reactions today on the year 3 recommendations (column B on each tab in matrix) and will continue to iterate over the coming months
 - We would like to hear the EWG's priorities for these recommendations
- + Bucketed initial feedback into four categories
 - Already doing
 - Feasible to do, needs more research
 - Currently unable to do
 - Clarification needed (the company has a clarifying question)

Equity Issue / Challenge: Participation Barriers

- 1) Increase participation rates from residents living in the 5 Equity Communities (or Justice40 or EJ Communities) across the EnergyWise and IES Programs by XX% by the end of 2024
 - **Feasible to do, needs more investment to automate:** we would need to establish a baseline first to track this

- 2) Track the # of HEAs in other languages
 - **Feasible to do, needs more research:** need to understand how we could track given our current processes

- 3) Offer Home Energy Assessments (HEAs) in at least 4 languages other than English (e.g. Spanish, Portuguese, Chinese (Cantonese/Mandarin), Creole) by the end of 2024
 - **Clarification needed:** looking for more specifics here
 - Language translation lines currently being used

Equity Issue / Challenge: Multifamily Barriers

- 1) Increase participation rates in EnergyWise Multifamily and Income Eligible Multifamily Programs statewide by XX% over 12 months - We can show this: would need to pull out historical participation data // we have served a lot - something that may not be visible
 - **Feasible to do, needs more research**

- 2) Increased focus on renter-specific resources, including but not limited to information on what is available for renters and renter-friendly DIY home improvements that can cut down on energy use
 - **Feasible to do, needs more research:** we do not currently collect this level of information on renters, but we will look into this

Equity Issue / Challenge: Pre-weatherization Barriers

- 1) Close the gap in the Conversion to Weatherization ratio between Energywise and IES programs by XX% over the next XX months.
 - **Currently unable to do:** this is not realistic as IES has far more expensive pre-weatherization barriers. Some future work would be to improve data collection on IES side.

- 2) Provide additional funding for pre-weatherization barrier remediation.
 - **Already doing:** We are conducting tests with IE heat pump work. Coordinating with OER on additional IRA funding.

- 3) Engage with the new State Department of Housing, cities/towns code officers, and/or housing courts. Better coordination between agencies can potentially address the pre-Wx issue.
 - **Feasible to do, needs more research:** Would need to improve data collection on IES side.

Equity Issue / Challenge: Workforce Development

- 1) Increase the % of BIPOC workforce training participants and contractors that reside in the 5 Equity Communities (or Justice 40/EJ Communities) year over year by XX%
 - **Feasible to do, needs more research:** need to establish target and feasibility of any additional tracking to be done

- 2) Increase # of and capacity of minority contractors by XX% in 2024.
 - **Clarification needed:** is this referring to RIE contractors, or more broadly in the industry? How might we measure capacity?

- 3) Increase the # and size of contracts awarded to MWBEs by XX% in 2024.
 - **Clarification needed:** is this referring to RIE, or more broadly in the industry?
 - **Already doing:** Report the number of MWBE contractors. Need to research the # and size elements.

Equity Issue / Challenge: Metrics Tracking/Reporting

- 1) Based on RI EWG member feedback, Rhode Island Energy continues to miss the mark on sharing meaningful metrics and progress. For example, the metrics from Year 2 for Workforce Development & Training were not reported on by the utility, but instead very brief updates on their quarterly equity update reports. In addition, the lack of a sufficient baseline of data hinders working group members ability to better inform recommendations, actions, metrics, and targets. In order to better share progress over time and identify issues and solutions, members agreed that the Company must develop a more comprehensive template to better report on equity and targets in quarterly and annual reports.
 - **Feasible to do, needs more research:** We have committed in our plan to establishing a set of trackable equity metrics by the end of Q1 2024 to begin tracking in Q2. We will begin the conversations in Q4 2023.

Equity Issue / Challenge: Micro & Small Business

- 1) Leverage findings from the 2023 Small Business Process Evaluation to improve program strategy
 - **Feasible to do**

- 2) Conduct Main Street efforts in all five communities identified in the 2024-2026 EE Plan Narrative
 - **Feasible to do:** In 2024 we committed to conducting MAIN STREET campaigns in 3 of the 5 communities, including conducting two campaigns in each of the largest towns (e.g. Providence, Pawtucket).

- 3) Develop translated program materials, as suggested in the SBDI Process Evaluation
 - **Feasible to do:** Working with Creative Services/Marketing on website PDF versions in Portuguese and Spanish



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