

The Narragansett Electric Company
d/b/a Rhode Island Energy

2025 Energy Efficiency Annual Plan

Pre-Filed Direct Testimony of:

Brett S. Feldman
Spencer Lawrence
Mark Siegal
Jeremy Newberger and
Nicholas Zhu

October 1, 2024

Submitted to:
Rhode Island Public Utilities Commission

RIPUC Docket No. 24-39-EE

Submitted by:



Rhode Island Energy™

a PPL company

October 1, 2024

VIA HAND DELIVERY AND ELECTRONIC MAIL

Stephanie De La Rosa, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket No. 24-39-EE – The Narragansett Electric Company d/b/a
Rhode Island Energy’s 2025 Annual Energy Efficiency Plan**

Dear Ms. De La Rosa:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”), enclosed please find the Company’s 2025 Annual Energy Efficiency and Conservation Procurement Program Plan (“Annual Plan”). The Annual Plan is being filed with the Public Utilities Commission (“Commission”) in accordance with R.I. Gen. Laws § 39-1-27.7(c) and the Least Cost Procurement Standards as approved and adopted by the Commission at an Open Meeting that occurred on July 27, 2023, in Docket No. 23-07-EE.

In support of the Annual Plan, the Company is including the pre-filed direct testimony of Brett Feldman, Spencer Lawrence, Mark Siegal, Jeremy Newberger and Nicholas Zhu. The Company respectfully requests approval by the Commission of the Annual Plan as filed. See Section VII of Mr. Feldman’s Pre-Filed Direct Testimony for more information on the specific rulings requested by the Company.

The Company will provide, on or before October 4, 2024, the electric and natural gas benefit cost analysis models for the Plans in electronic, machine-readable formats (Excel), with formulae intact; for 2025 these models include the rate and bill impact analysis as well. Under separate cover at a later date, the Company will be filing an update to the surcharges by submitting revised Tables E-1 and G-1 prior to the evidentiary hearing.

Stephanie De La Rosa, Commission Clerk

Docket No. 24-39-EE – 2025 Annual Energy Efficiency Plan

October 1, 2024

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If approved as filed, the Annual Plan is expected to create over \$268.5 million in benefits over the life of the installed electric and natural gas energy efficiency measures. Specifically, the electric-funded portion of the Annual Plan is anticipated to create electric energy savings of 595,734 net lifetime MWhs, 82,921 net annual MWhs, and 15,750 net annual kW from passive energy efficiency. The natural gas-funded portion of the Annual Plan is anticipated to create energy savings of 2,941,697 net lifetime MMBtus and 274,817 net annual MMBtus. In addition, the Company anticipates that investments made in energy efficiency to achieve these energy savings will add \$201.5 million to Rhode Island's state gross state product ("GSP"), the equivalent of 2,092 job years.

The Annual Plan proposes total budgets of \$81.95 million for electric and \$35.05 million for gas. The proposed electric energy efficiency charge for 2025 is \$0.00917 per kWh. The proposed residential natural gas energy efficiency charge for 2025 is \$1.117 per Dth and the proposed commercial and industrial natural gas energy efficiency charge for 2024 is \$0.448 per Dth.

The proposed performance incentive earnings opportunity for the Company is \$2.55 million for electric and \$0.60 million for gas.

In terms of bill impact, an average residential (non-low income) electric energy efficiency participant would see a monthly bill decrease of 1.12 percent, or \$1.89.¹ When considering benefits shared with all electric customers (including non-participants), the average residential customer would see a monthly bill increase of 0.25 percent, or \$0.42. An average residential (non-low income) gas energy efficiency participant would see an annual bill decrease of 0.86 percent, or \$14.94. When considering benefits shared with all gas customers (including non-participants), the average residential customer would see an annual bill increase of 0.41 percent, or \$7.38.

¹ The dollar value of bill impacts are calculated assuming rates as of October 1, 2024, and typical usage of 500 kWh per month and 845 therms per year for non-low income residential customers. Dollar values of electric impacts are monthly, and gas values are annual.



Stephanie De La Rosa, Commission Clerk
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October 1, 2024
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Thank you for your attention to this filing. If you have any questions, please contact me at 401-709-3359.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steven J. Boyajian".

Steven J. Boyajian

Enclosures

cc: Docket No. 23-35-EE Service List

Certificate of Service

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

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



Heidi J. Seddon

October 1, 2024

Date

Docket No. 23-35-EE – Rhode Island Energy’s EE Plan 2024-2026 Three-Year Plan and 2024 Annual EEP
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**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
RIPUC DOCKET NO. 24-39-EE
RE: 2025 ANNUAL ENERGY EFFICIENCY PLAN
WITNESS: FELDMAN
OCTOBER 1, 2024**

PRE-FILED DIRECT TESTIMONY

OF

BRETT S. FELDMAN

October 1, 2024

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SCHEDULES

Schedule A: 2025 Annual Energy Efficiency Plan and Attachments

I. Introduction

Q. Please state your name and business address.

A. My name is Brett Feldman. My business address is 280 Melrose Street, Providence, Rhode Island 02907.

Q. By whom are you employed and in what position?

A. I am employed by the Narragansett Electric Company d/b/a Rhode Island Energy (“Rhode Island Energy” or the “Company”) as Manager, Customer Energy Management (“CEM”), Rhode Island. In this role, I lead the teams responsible for the Company’s energy efficiency strategy, policy, and planning in Rhode Island.

Q. Please describe your education and your professional experience.

A. I received a Bachelor of Arts in Economics from University of Michigan and a Masters in Business Administration from Boston University. I started working for the Company in March 2022. On May 25, 2022, PPL Rhode Island Holdings, LLC, a wholly owned indirect subsidiary of PPL Corporation, acquired 100 percent of the outstanding shares of common stock of the Company from National Grid USA (the “Acquisition”), at which time I assumed my current position. Prior to joining the Company, I worked at Guidehouse (formerly Navigant), performing market research and consulting on global energy efficiency and demand response program strategy, evaluation, and policy engagements; Constellation Energy, managing demand side resource portfolios in

1 wholesale markets including ISO-New England (“ISO-NE”), NYISO, and PJM;
2 Eversource Energy, managing commercial and industrial (“C&I”) energy efficiency and
3 demand response program implementation; Nexant, consulting on utility energy
4 efficiency and demand response program design and evaluation; and ICF, providing
5 economic and marketing support to US Environmental Protection Agency’s (“EPA”)
6 ENERGY STAR® program.

7
8 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
9 **(“PUC” or “Commission”)?**

10 A. Yes. I testified before the PUC relating to the Company’s 2023 Annual Energy Efficiency
11 and Conservation Procurement Program Plan (“2023 Annual Plan”) in Docket No. 22-33-
12 EE as well as for the Company’s 2024-2026 Three Year Energy Efficiency and
13 Conservation Procurement Plan (the “2024-2026 Three Year Plan”) and 2024 Annual
14 Energy Efficiency and Conservation Procurement Program Plan (“2024 Annual Plan”) in
15 Docket No. 23-35-EE.

16
17 **II. Purpose, Structure and Requested Ruling**

18 **Q. What is the purpose of your testimony?**

19 A. The purpose of my testimony is to demonstrate that the Company’s proposed 2025
20 Annual Energy Efficiency and Conservation Procurement Plan (the “2025 Annual Plan”
21 or “Plan”) meets the applicable statutory and regulatory requirements and to request PUC

1 approval of the proposed measures, programs, and portfolios which are discussed in
2 greater detail herein and within the 2025 Annual Plan. My testimony also describes: (1)
3 the Company's objectives specific to the 2025 Annual Plan, (2) the Company's strategy to
4 reach those objectives, including stakeholder engagement throughout the development
5 process, (3) how the Company has addressed Commission's directives resulting from its
6 review of the 2024 Annual Plan and 2024-2026 Three Year Plan, and (4) broad changes
7 in the 2025 Annual Plan relative to the 2024 Annual Plan.

8
9 **Q. How does your testimony compliment the testimony of other Company witnesses in**
10 **this docket?**

11 A. I describe the Company's strategy in preparing the 2025 Annual Plan with a focus on
12 compliance with the Least Cost Procurement ("LCP") statute and standards. Witnesses
13 Spencer Lawrence and Mark Siegal delve into more detail about the residential and non-
14 residential programs, respectively. Witnesses Newberger and Zhu offer testimony
15 specifically on the Company's benefit-cost assessment and cost of supply assessment.

16
17 **Q. How is your testimony structured?**

18 A. Section I is the introduction. Section II describes the purpose and structure of my
19 testimony and the ruling that the Company requests from the Commission. Section III
20 provides an overview of the 2025 Annual Plan and describes the Company's objectives
21 and strategy to achieve those objectives. Section III also includes the key changes

1 proposed in the 2025 Annual Plan, including a discussion of how the Company has
2 addressed directives from the Commission in Docket 23-35-EE in its 2025 Annual Plan.
3 Section IV of my testimony provides context surrounding the development of the 2025
4 Annual Plan, as well as stakeholder engagement during the planning year. Section V of
5 my testimony discusses how the 2025 Annual Plan meets the applicable statutory and
6 regulatory requirements and aligns with the goals established through Docket No. 4600.
7 Section VI of my testimony summarizes the proposed performance incentive. Section
8 VII is a restatement of the ruling requested from the Commission. Section VIII is the
9 conclusion.

10
11 **Q. Are you sponsoring any schedules through this testimony?**

12 **A.** Yes, I am sponsoring the 2025 Annual Plan, and all associated attachments.

13 The proposed 2025 Annual Plan is attached to this testimony as Schedule A. The 2025
14 Annual Plan includes the following Attachments:

- 15 • Attachment 1: 2025 Residential and Income Eligible EE Solutions and
16 Programs
- 17 • Attachment 2: 2025 C&I EE Solutions and Programs
- 18 • Attachment 3: 2025 Evaluation, Measurement, and Verification Plan
- 19 • Attachment 4: 2025 Rhode Island Test Description
- 20 • Attachment 5: 2025 Electric Energy Efficiency Program Tables
- 21 • Attachment 6: 2025 Gas Energy Efficiency Program Tables
- 22

- Attachment 7: 2025 Demonstrations, Pilots, and Assessment
- Attachment 8: 2025 Cross-Program Summary
- Attachment 9: Definitions
- Attachment 10: 2024 Rhode Island Energy Efficiency Equity Working Group Report

Q. What approvals is the Company seeking with respect to the 2025 Annual Plan?

A. In accordance with Section 3.3.C. of the LCP Standards, the Company requests that the Commission approve the: (i) initial annual savings goals and strategies for Energy Efficiency and Conservation Procurement portfolios proposed by the Company as described in Section 7 of the Plan; (ii) initial annual budgets for Energy Efficiency and Conservation Procurement portfolios proposed by the Company as described in Section 8 of the Plan; and (iii) annual performance incentive plan for Energy Efficiency and Conservation Procurement as described in Section 9 of the Plan.

III. 2025 Annual Plan Overview, Objectives and Key Changes

Q. Please summarize the Company's 2025 Annual Plan.

A. The 2025 Annual Plan is built as the second year of the Three-Year Plan approved by the Commission in Docket No. 23-35-EE. The 2025 Annual Plan provides firm savings goals, budgets, funding plans, and a proposed performance incentive mechanism ("PIM") earning opportunity. Further, the 2025 Annual Plan provides more detail on the strategies, market approaches, programs, and measures that will be offered in the 2025

1 calendar year. The 2025 Annual Plan seeks to ensure that all Rhode Island Energy
2 consumers, regardless of their geographic location, income, home ownership status,
3 primary language, business size, or other relevant attributes are empowered to be active
4 in their energy choices, control their energy use, and enjoy the economic, environmental,
5 and cost savings benefits of energy efficiency.
6

7 **Q. What is the 2025 Annual Plan expected to accomplish?**

8 A. The 2025 Annual Plan is expected to create \$268.5 million in total benefits over the life
9 of the installed electric and natural gas energy efficiency measures. Investments made in
10 energy efficiency to achieve these energy savings will add \$201.5 million to Rhode
11 Island's gross state product, the equivalent of 2,092 job years. The projected energy
12 savings from this Plan will avoid 61,707 short tons of carbon in 2025. The electric
13 portion of the Plan will save 595,734 MWh over the lifetime of the installed energy
14 efficiency measures, 82,921 net annual MWhs and 15,750 net annual summer kW from
15 passive energy efficiency. The natural gas portion of the Plan will save 2,941,697
16 MMBtu over the lifetime of installed natural gas measures and 274,817 MMBtu annually.
17 For all fuels combined (electric, gas, oil, propane), the Plan will save 5,810,770 net
18 lifetime MMBtu and 588,487 net annual MMBtu. Of the total \$268.5 million benefits,
19 \$191.8 million stems from the electric portfolio and \$76.7 million is derived from the
20 natural gas portfolio.
21

1 **Q. Please describe the 2025 Annual Plan budget and the rationale for it?**

2 A. The proposed energy efficiency portfolio for 2025 has an overall budget of approximately
3 \$81.95 million for electric programs and \$35.01 million for natural gas programs. The
4 budget is segmented into three sectors: residential income eligible, residential non-
5 income eligible, and C&I. The proposed sector and program budgets are provided in
6 Attachment 5: Electric EE Program Tables, Table E-2 and Attachment 6: Gas EE Program
7 Tables, Table G-2. A comparison of these proposed budgets to the 2023 budget is
8 provided in Attachment 5, Table E-4 and Attachment 6, Table G-4.

9
10 The Company is confident it can execute 2025 Annual Plan with the proposed budgets
11 while also mitigating risk of an over- or under-spend. The proposed budget was
12 developed based on realistic expectations about how program uptake, costs, and incentive
13 levels would change in 2025 relative to 2024. Specifically, in 2025 the Company reduced
14 incentives and quantities for several delivered fuels measures. The Company also
15 reduced budgets in anticipation of the implementation of the new Rhode Island energy
16 code, as the code changes raise baselines and thus reduce the opportunity for savings.
17 The Plan embodies the Company's focus on striking the best balance between delivering
18 the necessary benefits of energy efficiency and maintaining a budget that reduces bill
19 pressure on our customers, while recognizing the full portfolio of energy savings
20 opportunities at hand.

1 **Q. What are the Company’s objectives in the 2025 Annual Plan?**

2 A. The Company strives to balance the key objectives of utilizing energy efficiency as a
3 means to reduce energy bills and enhance energy affordability while also
4 maximizing energy savings. This approach aims to achieve co-benefits such as
5 reductions in greenhouse gas (“GHG”) emissions and support for local economic activity,
6 all while ensuring compliance with applicable statutes and standards.

7
8 **Q. What was the Company’s strategy to achieve those objectives?**

9 A. During the 2025 program year planning, the Company critically reviewed each program
10 from the 2025 Annual Plan to identify ways in which each program could reduce costs to
11 customers, increase participation, and increase savings.

12
13 **Q. What directives did the Commission provide in Docket No. 23-35-EE that informed**
14 **the Company’s strategy?**

15 A. As required by PUC Order No. 25092 in Docket 23-35-EE, “for any program that has a
16 forecasted cost that is greater than the cost of supply in the intrastate calculation which
17 excludes delivered fuels, the filing should provide a justification for why the specific
18 program should nevertheless be approved, even though the program costs exceed the
19 calculated avoided cost of supply.”

1 **Q. How did the Company address the PUC directives in Docket 23-25-EE?**

2 A. In response to PUC guidance during the 2024 Plan hearings, the Company has made
3 adjustments in planning its proposed 2025 programs. As shown in the Company’s
4 Compliance Filing submitted on December 20, 2023, in Docket No. 23-35-EE (“2024
5 Compliance Filing”), eleven programs had a cost of efficiency greater than the cost of
6 supply, and the Company has reduced this to six.

7
8 The Company also revised its cost of supply analysis and adjusted program design to start
9 shifting away from programs and measures that cost more to achieve than the resulting
10 energy savings. For some programs and measures, the Company recognizes the value of
11 those in alignment with LCP Standards. The pre-filed direct testimonies of Company
12 witnesses Jeremy Newberger and Nicholas Zhu describe the Company’s methodology
13 and results in detail. The pre-filed direct testimonies of Company witnesses Spencer
14 Lawrence and Mark Siegal describe the specifics of the Residential/Income Eligible and
15 Commercial/Industrial sectors, respectively. Their testimony provides an overview of
16 each program within those sectors, and any notable program changes.

17
18 **Q. Please summarize the key differences in the 2025 Annual Plan compared to the 2024**
19 **Annual Plan.**

20 A. There are several notable differences between the proposed 2025 Annual Plan and the
21 2024 Annual Plan. The Company has adjusted its approach in planning the 2025

1 programs, specifically by reducing funding for delivered fuels efficiency measures to try
2 to minimize program costs for programs that exceed the cost of supply, excluding
3 delivered fuels in the intrastate calculation. Throughout 2025 the Company will assess
4 the impacts of these adjustments on program participation, contractor engagement,
5 resource allocation, and customer satisfaction to determine if further changes are
6 necessary.

7
8 2025 brings with it a new statewide energy code—the 2024 International Energy
9 Conservation Code (“IECC 2024”). The Company has reviewed the impacts of IECC
10 2024 on programs and adjusted plan quantities, spending, and savings projections to
11 account for the implications of this updated energy code. As an example, The Company
12 is no longer providing rebates for lighting control dimming and occupancy sensors since
13 these measures are now deemed to be baseline for new construction. In addition, the
14 Rhode Island Mercury Reduction and Education Act for linear fluorescent products
15 becomes effective on January 1, 2025, and measure lives for LED fixtures rebated
16 through the Retrofit Program and Small Business Program were reduced by
17 approximately 50%.

18
19 The Company has also updated the bill impact analysis for the 2025 Annual Plan. Utility
20 system cost-of-supply benefits, excluding non-embedded carbon benefits (which do not
21 impact customers through utility bills), rest-of-pool DRIPE benefits, and delivered fuels

1 benefits are used as an approximation of bill savings. This approach was developed
2 following the 2023 PUC hearings in Docket No. 22-33-EE in which the Commission
3 referred to the utility system cost of supply minus the cost of energy efficiency as an
4 approximation of bill savings. These bill impacts have been included as Tables E-11 and
5 G-11 in Attachments 5 and 6, respectively.
6

7 **IV. Context of Development and Stakeholder Engagement**

8 **Q. What is the Company's objective in describing the context of developing the 2025**
9 **Annual Plan?**

10 A. The Company explains the context in which the 2025 Annual Plan was developed in
11 order to (1) frame the 2025 Annual Plan within the larger context of state climate and
12 clean energy policy, (2) acknowledge the collaboration and stakeholder input that
13 contributed to the 2025 Annual Plan, (3) shed light on trends from previous plans, (4)
14 highlight the reasoning behind proposed deviations from prior trends, and (5) discuss the
15 strategy for continued collaboration with stakeholders in execution of the 2025 Annual
16 Plan.
17

18 **Q. What major federal, state, and regulatory policies influenced the proposed 2025**
19 **Annual Plan?**

20 A. Several key federal, state, and regulatory policies influenced the 2025 Annual Plan.

1 At the federal level, the Inflation Reduction Act (“IRA”) was enacted in August 2022,
2 which set aside funding for both incentives and tax credits for eligible energy efficiency
3 measures. In designing the 2025 Annual Plan, the Company considered the potential
4 impacts of and synergies with the breadth of federal funding available to customers.
5 Potential impacts that the Company planned for in the Annual Plan include, but are not
6 limited to, increases in program participation, workforce development needs for increased
7 demand, and communication and outreach strategies to aid customer understanding.
8 Potential synergies the Company has incorporated into its 2025 Annual Plan include, but
9 are not limited to, collaboration with other entities and processes to consider how
10 incentives are layered.

11
12 At the state level, in December 2022, the State of Rhode Island (“State”) released its
13 2022 Update to the 2016 Greenhouse Gas Emissions Reduction Plan (“2022 Update”) in
14 response to the 2021 Act on Climate, R.I. Gen. Laws § 42-6.2-1, *et seq.* In the 2022
15 Update, the State identified near-term priority actions, including several actions related to
16 energy efficiency.

17
18 Consistent with legislation passed by the Rhode Island General Assembly and signed into
19 law by Governor McKee, the Rhode Island Office of Energy Resources (“OER”) opened
20 its heat pump incentive program, branded “Clean Heat RI,” in September 2023. Clean

1 Heat RI complements the Company’s 2025 Annual Plan by offering incentives to
2 customers who switch from delivered fuels to high-efficiency electric heat pumps.
3

4 In June 2023, the State adopted a timeline for the adoption of a new building code linked
5 to the finalization of the IECC 2024 that will require lower energy consumption for
6 occupants. IECC 2024 was finalized on August 14, 2024. The Company assessed the
7 potential impact of the new building code on program offerings and adjusted the Plan to
8 reflect these impacts. The Company, as detailed in the 2025 Annual Plan Section 2.6.2.5,
9 has already started offering training specific to compliance with the new building code
10 within its proposed workforce development efforts and will continue these efforts in
11 2025.
12

13 The Rhode Island Mercury Reduction and Education Act for linear fluorescent products
14 becomes effective on January 1, 2025. In 2024, the Company has worked with the
15 Energy Efficiency Resources Management Council’s (“EERMC”) consultant team,
16 evaluation team, and others to determine the impact of this mercury ban legislation on the
17 2025 Plan C&I savings claimed through lighting. Measure lives for LED fixtures rebated
18 through the C&I Retrofit Program and Small Business Program were reduced by
19 approximately 50 percent.
20

1 At the regulatory level, the PUC opened Docket No. 22-01-NG, “Investigation Into the
2 Future of the Regulated Gas Distribution Business in Light of the Act on Climate”
3 (“Future of Gas Docket”) in June 2022. The purpose of the docket is to “examine the
4 extent to which the requirements of the [Act on Climate] impact the conduct, regulation,
5 ratemaking, and the future of gas supply and gas distribution within Rhode Island” and
6 will include a stakeholder process and technical analysis.¹ This docket is ongoing and
7 reporting deliverables and potential policy outcomes are anticipated in 2024. Therefore,
8 the Company purposefully approached the 2025 Annual Plan with the dual objectives of
9 not presupposing the outcomes of the Future of Gas Docket and building in flexibility to
10 adjust at the appropriate time based on findings of the Future of Gas Docket.

11
12 Altogether, the Company recognizes the importance of decarbonization and access to
13 clean, energy efficient technologies as priorities within the State policy discussion. In
14 implementing its proposed 2025 Annual Plan, the Company intends to work in concert
15 with the State and stakeholders to enable its customers to participate in and benefit from
16 energy efficiency as one critical component of reaching State climate and clean energy
17 mandates.

¹ See Docket No. 22-01-NG, *Notice of Commencement of Docket*, dated June 9, 2022, which may be accessed at:
https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2022-08/22-01-NG-Notice_6-9-22.pdf.

1 **Q. What additional context shaped the development of the 2025 Plan?**

2 A. As required by PUC Order No. 25092 in Docket 23-35-EE, “for any program that has a
3 forecasted cost that is greater than the cost of supply in the intrastate calculation which
4 excludes delivered fuels, the filing should provide a justification for why the specific
5 program should nevertheless be approved, even though the program costs exceed the
6 calculated avoided cost of supply.” In response to the PUC order and guidance provided
7 during the 2024 Plan hearings, the Company has adjusted its approach to planning its
8 2025 proposed programs. In the Company’s 2024 Compliance Filing, eleven programs
9 had a cost of efficiency greater than the cost of supply, and the Company has reduced this
10 to six.

11
12 The Company has worked to strike a balance between ratepayer contributions and
13 benefits, and these adjustments to program budgets, especially as it relates to the
14 programs available to customers that utilize delivered fuel for heating, represent the
15 Company’s efforts to achieve this balance. Additionally, the Company has detailed
16 justifications, rooted in the LCP Standards, for the continued inclusion of programs
17 where the cost of efficiency exceeds the cost of supply. These justifications are presented
18 in Section 6.6.3 of the Plan.

Q. How did the Company prepare the Plan?

A. The Company developed the Plan in consideration of the context described above and with extensive stakeholder input and engagement. Stakeholders include the Rhode Island Division of Public Utilities and Carriers (“Division”), OER, EERMC, the stakeholder members of the Energy Efficiency Technical Working Group (“EE TWG”), and the stakeholder members of the Energy Efficiency Equity Working Group.

Over the last year the Company has provided numerous opportunities for stakeholder feedback on drafts of the Plans. A schedule of key deliverables and opportunities for stakeholder feedback is below:

Schedule of Key Deliverables

Date	Milestone
April 5, 2024	Three Year Plan outline memo shared with EERMC and EE TWG
April 18, 2024	Company presented 2025 Annual Plan at EERMC meeting
June 5, 2024	First Draft 2025 Annual Plan narrative shared with stakeholders
July 3, 2024	Draft 2025 Annual Plan Benefit Cost Models & Tables and updated
August 5, 2024	Second draft of 2025 Annual Plan with Benefit Cost Models and Tables shared with stakeholders
September 6, 2024	Final Draft 2025 Annual Plan shared with stakeholders

1 **Q. How did the Company account for increased availability of funding (e.g., through**
2 **the IRA, via State incentive programs, etc.) in the proposed Plan?**

3 A. The Company recognizes external funding availability as complementary and
4 supplemental to energy efficiency program incentives, providing additional support for
5 the budget proposed for the 2025 energy efficiency programs. In 2025, the Company will
6 continue to coordinate with OER on its Clean Heat RI Program.

7
8 In 2024 OER set forth proposals for the two programs underneath the IRA umbrella:
9 Home Electrification and Appliance Rebates (“HEAR”) and Home Energy Rebates
10 (“HER”). These proposals were then subsequently submitted to the US Department of
11 Energy for approval. The HEAR program, as proposed by OER, does not offer rebates
12 for any of the measures currently covered by the Company’s programs. The HER
13 program, as proposed, will focus funding on heat pumps for income eligible multifamily
14 properties that are heated with delivered fuels. The Company assessed the potential
15 impact of these two programs, and given their limited overlap with current Company
16 offerings, did not adjust Plan budgets as they are currently adequate to cover a potential
17 increase in program activity as a result of these programs. The Company will continue to
18 coordinate with OER to make sure that program offerings are cohesive for customers and
19 vendors.

1 **Q. Was the 2025 Annual Plan endorsed by the EERMC?**

2 A. The Plan was unanimously endorsed by the EERMC in a vote at its meeting on
3 September 26, 2024.

4
5 **V. Satisfaction of Statutory and Regulatory Requirements**

6 **Q. What are the relevant statutory and regulatory requirements for the 2025 Annual**
7 **Plan?**

8 A. The purpose of R.I. Gen. Laws § 39-1-27.7(a) is to meet the “electrical and natural gas
9 energy needs in Rhode Island in a manner that is optimally cost effective, reliable,
10 prudent, and environmentally responsible.” The LCP Standards further detail the
11 requirement that “Least-Cost Procurement shall be cost-effective, reliable, prudent, and
12 environmentally responsible” and “lower than the cost of additional energy supply.” See
13 Section 1.3A of the LCP Standards.

14
15 **Q. How does the proposed 2025 Annual Plan meet these statutory and regulatory**
16 **requirements?**

17 A. The proposed 2025 Annual Plan meets the statutory and regulatory requirements by being
18 optimally: (1) cost effective; (2) prudent; (3) reliable; (4) environmentally responsible;
19 and (5) because the portfolio cost of energy efficiency is less than the cost of additional
20 supply. In the subsections below, the Company presents evidence that the investments

1 proposed in the 2025 Annual Plan not only meet the threshold requirements of each of the
2 Standards, but does so in an optimal manner.

3
4 **1. Cost Effective**

5 **Q. How did the Company assess whether the proposed 2025 Annual Plan is cost-**
6 **effective?**

7 A. The Company assessed whether the 2025 Annual Plan is cost-effective in accordance
8 with Section 1.3.C. of the LCP Standards. As required by the LCP Standards, the
9 Company has assessed the cost effectiveness of the 2025 Annual Plan at the program and
10 portfolio level, and in a manner consistent with the Guidance Document issued by the
11 PUC in Docket No. 4600 (“Docket 4600 Guidance Document”).

12
13 **Q. What benefit-cost test was conducted by the Company?**

14 A. In accordance with Section 1.3.C. of the LCP Standards and the Docket 4600 Guidance
15 Document, the Company assessed cost effectiveness of the proposed investments using
16 the Rhode Island Test (“RI Test”) as the primary test.

17
18 **Q. Are the proposed investments in the 2025 Annual Plan cost-effective under the RI**
19 **Test?**

20 A. Yes. The electric and natural gas portfolios are cost effective under the RI Test. For
21 example, the 2025 RI Test result for the electric portfolio shows a RI Test Benefit-Cost

1 (“BC”) Ratio of 1.96, when counting intrastate benefits and interstate benefits. This
2 means that for every \$1 of investment in the electric portfolio \$1.96 of benefits are
3 generated. In aggregate the portfolios included in this Annual Plan submission are
4 robustly cost effective, as the benefits exceed the costs to acquire the efficiency resources
5 and implement the programs. All programs within the electric and gas portfolios are also
6 cost effective per the RI Test. Pursuant to the LCP Standards, any program with a
7 quantified BC ratio greater than 1.0 (i.e., where quantified benefits are greater than
8 quantified costs), should be considered cost effective. Please reference Section 6.2 of the
9 2025 Annual Plan for additional information regarding cost effectiveness.

10
11 **2. Reliable**

12 **Q. How did the Company assess that the 2025 Annual Plan is reliable?**

13 A. The Company assessed the Annual Plan for reliability in accordance with Section 1.3.D.
14 of the LCP Standards. This assessment includes assessment of “(a) the ability of Least-
15 Cost Procurement investments to meet the energy supply or delivery system needs; (b)
16 the ability of previous investments, including identical or similar investments, to support
17 the conclusion that a new investment is reliable; and (c) the potential for implementation
18 issues, including available workforce, market continuity, program scalability.”
19

1 **Q. Given the above assessment, is the 2025 Annual Plan reliable?**

2 **A.** Yes, the investments proposed in the Annual Plan are reliable to meet energy supply and
3 delivery system needs, and this assessment is supported by the robust evaluation of
4 previous identical and similar investments and the Company’s consideration of and
5 mitigation of the potential for implementation issues, including available workforce,
6 market continuity, program scalability.

7
8 In developing this 2025 Annual Plan, the Company’s CEM team worked closely with
9 program implementation professionals, industry experts, and vendors, to assess the
10 current state of existing programs, the potential for program scalability, the economic
11 environment, and the ability to deliver reliable energy savings as a result. Supporting the
12 Company’s efforts to deploy energy efficiency to Rhode Island customers is a robust and
13 long-standing evaluation, measurement, and verification (“EM&V”) apparatus. The
14 Company hires independent third-party consulting firms to regularly conduct evaluation
15 studies as part of its EM&V process in collaboration with and under oversight from the
16 EERMC. The EM&V process is continual, and every year results from EM&V studies
17 are used to update the savings in the Technical Reference Manual and benefit cost
18 calculations of the measures, programs, and portfolios. Furthermore, the EM&V process
19 supports the Company’s participation of efficiency resources in the ISO-NE Forward
20 Capacity Market. Please refer to Section 6.3 of the Annual Plan for additional discussion
21 regarding reliability.

1 **3. Prudent**

2 **Q. Please summarize what the Company considers in its prudency analysis.**

3 A. The Company assesses prudency in accordance with Section 1.3.E. of the LCP Standards:
4 “(a) how the investment supports the goals of the electric or natural gas system and the
5 purposes of Least-Cost Procurement; (b) potential for synergy savings based on
6 alternatives that address multiple needs; (c) how the entire investment proposal affects
7 the risks of ratepayers and the distribution company; (d) how the investment effectively
8 uses available funding sources and integrates with energy programs and policies; and (e)
9 how the investment is equitable in consideration of the allocation of costs, the allocation
10 of benefits, customer access, and customer participation.” The Company also considered
11 the rate and bill impacts to a range of customer types and usage levels consistent with
12 Section 1.3.E.ii. of the LCP Standards.

13
14 **Q. Please provide a summary of the Company’s analysis of each of these factors as they**
15 **relate to the proposed 2025 Annual Plan.**

16 The Company summarizes its assessment of the above factors, below:

17 (1) The investment supports the goals of the electric or natural gas system and the
18 purposes of Least-Cost Procurement: This Plan secures cost effective energy
19 efficiency resources that drive the realization of benefits as enumerated in the RI Test.
20 In aggregate, the portfolios included in this 2025 Annual Plan are robustly cost
21 effective, as the benefits exceed the costs to acquire the efficiency resources and

1 implement the programs. Further, as will be described in greater detail below, at the
2 portfolio level, the cost of procuring electric and gas energy efficiency is less than if
3 that electric and gas load was met by purchasing additional electric or gas supply.
4

5 (2) The proposed investments leverage and enhance the potential for synergy savings
6 based on alternatives that address multiple needs: The Company discusses how it
7 intends to leverage the potential for synergy savings and synergy benefits through
8 collaboration and integration with state entities and state and federal incentive
9 programs in Section III of this testimony.
10

11 (3) The entire investment proposal has minimal risk for ratepayers and the distribution
12 company: The 2025 Annual Plan is designed to provide guidance for future
13 investments while being flexible enough to adapt to changes in market conditions,
14 potential external funding availability, and state clean energy and climate policies as
15 they arise. The goals and budgets included in the 2025 Annual Plan provide a prudent
16 basis upon which to implement and deliver energy efficiency programs and services
17 in 2025. The foundational independent EM&V supporting energy efficiency savings
18 also minimizes risk.
19

20 (4) The investment effectively uses available funding sources and integrates with energy
21 programs and policies: The Company discusses its strategy for effectively using

1 available funding sources and integrating with energy programs and policies in
2 Section III of this testimony. The rate and bill impacts for electric and natural gas
3 customers are located in Section 6.4.2 of the 2025 Annual Plan. The Company is
4 confident that the proposed investments in the 2025 Annual Plan – and associated
5 budgets – optimally and appropriately consider short-term costs of program
6 implementation. See Section III of this testimony for additional discussion of how
7 the Company balances short-term impacts with long-term benefits.

8
9 (5) The investment is equitable in consideration of the allocation of costs, the allocation
10 of benefits, customer access, and customer participation: The Annual Plan is designed
11 to ensure equity across residential programs. In the context of energy efficiency, this
12 means programs serve all customer segments, the energy efficiency rate has parity,
13 and energy efficiency services aid the customers who may pay a higher proportion of
14 their income towards energy costs. The Company intends to continue to identify and
15 target groups and geographic areas with historically low participation and continue to
16 pursue opportunities to enhance the equity of the portfolios during 2025.

1 **Q. The proposed electric budget equates to approximately a 14.0 percent decrease over**
2 **last year and the proposed gas budget equates to an approximate 2.8 percent**
3 **increase. What is driving the change in budget year-over-year?**

4 A. Several changes in the Annual Plan result in the budgets impacts identified in the
5 question above. The most significant changes include:

- 6 • Reductions in spending on delivered fuel measures
- 7 • Reallocation of energy audit costs between electric and gas programs
- 8 • Reduction in savings, and thus spending, opportunity due to new building code
- 9 and mercury ban implementations
- 10 • Increase in spending on Residential Gas equipment to better correlate with actual
- 11 installation quantities seen in the market
- 12 • Reductions in Small Business incentives for customers using more than one
- 13 million kWh per year

14
15 **Q. Is the proposed 2025 Annual Plan prudent?**

16 A. Yes. Given the assessment of the factors discussed above, the proposed 2025 Annual
17 Plan is prudent.

1 **4. Environmentally Responsible**

2 **Q. How did the Company assess the extent to which the 2025 Annual Plan is**
3 **environmentally responsible?**

4 A. The Company assessed environmental responsibility in accordance with Section 1.3.F. of
5 the LCP Standards by assessing how the investment “complies with State environmental
6 and climate policies” and “how the investment affects environmental and climate
7 pollution, where applicable, at a local, regional, and global scale.”

8
9 **Q. Does the 2025 Annual Plan support the State’s ability to achieve its climate impact**
10 **goals?**

11 A. Yes. As discussed in detail below, the proposed 2025 Annual Plan will contribute to
12 carbon dioxide emission reductions. When preparing for the 2025 Annual Plan the
13 Company further examined the directives set forth in the Act on Climate and how those
14 directives may influence future annual and three-year plans.

15
16 The Company is actively participating in the ramp up to the 2025 Climate Strategy,
17 having submitted comments to the State’s Request for Information to Support the
18 Development of a Scope of Work for the Climate Action Strategy. The energy savings
19 achieved by Rhode Island Energy’s energy efficiency programs directly advance priority
20 actions identified by the Rhode Island Executive Climate Change Coordinating Council

1 in its 2022 Update to the 2016 Greenhouse Gas Emissions Reduction Plan (“2022
2 Update”).

3
4 The 2022 Update included several priority actions that inform the initiatives outlined in
5 the Plans, specifically:

6
7 Priority Actions for the Electric Sector

8 Continue Energy Efficiency Work: The Plans address key items highlighted in this action
9 item and will lower energy bills, reduce greenhouse gas emissions, and support local and
10 state economies.

11
12 Priority Actions for the Thermal Sector

13 Continue Energy Efficiency Programs and Weatherization: Weatherization programs
14 remain a focus of both residential and income-eligible services (“IES”) programs. The
15 Company collaborates with weatherization contractors and Community Action Agencies
16 to continually refine the delivery mechanisms for weatherization services to both expand
17 their reach and reduce barriers to participation.

18
19 Target 15% Penetration of Energy Efficient Electric Heating by 2030

20 The Plans continue the Company’s efforts to support the adoption of electric heating,
21 with a particular emphasis on electric resistance heating customers.

1
2 Efficient Heat Pump Incentives

3 Several programs outlined in the Plans offer incentives for efficient heat pumps, both for
4 space and water heating. The Company has collaborated with OER on their Clean Heat
5 RI Program and will continue the collaboration to align program incentives for heat pump
6 technologies with IRA incentives.

7
8 **Q. What are the potential impacts of the proposed 2025 Annual Plan in relation to the**
9 **Act on Climate’s requirements?**

10 A. The Act on Climate mandates a statewide, economy-wide 45% reduction in greenhouse
11 gas emissions by 2030 relative to 1990 emissions levels, among other mandatory,
12 enforceable targets. The 2016 Greenhouse Gas Emissions Reduction Plan states that
13 Rhode Island had a greenhouse gas inventory of 12.48 MMTCO₂e² in 1990. Assuming
14 this baseline, the proposed 2025 Annual Plan would reduce Rhode Island’s greenhouse
15 gas inventory by 0.55% in 2030, thereby advancing the Act on Climate requirements.
16 Energy efficiency has long been recognized as often the most cost-effective way to meet
17 customers’ energy needs and a foundational element of any approach for meeting the
18 State’s climate mandates and renewable energy strategies cost effectively. The
19 cumulative impact of the continued presence of energy-efficient equipment installed

² Million Metric Tons of Carbon Dioxide Equivalent

1 through the Company's programs since the inception of Least Cost Procurement also
2 contributes to meeting the Act on Climate goals.
3

4 **Q. Given the above, is the 2025 Annual Plan environmentally responsible?**

5 A. Yes. The energy efficiency programs and portfolios not only provide significant
6 emissions reductions benefits, but they also support the ongoing growth and development
7 of a sustainable, green job ecosystem in Rhode Island, and contribute to the realization of
8 state environmental and climate policies (e.g., Act on Climate). The Company's energy
9 efficiency programs also help to ensure that the local workforce will exist to support the
10 state's environmental policy goals. Moreover, educating and engaging residential and
11 business customers on the potential environmental impacts and benefits of the
12 implementation of energy efficiency measures is a foundational element of the
13 Company's energy efficiency go-to-market strategy. Please refer to Section 6.5 of the
14 2025 Annual Plan for additional discussion regarding environmental responsibility.
15

16 **5. Lower than the Cost of Additional Supply**

17 **Q. In its decision in Docket No. 23-35-EE and the associated Order No. 25092, the**
18 **Commission directed that the cost of supply for the 2025 Annual Plan filing be**
19 **calculated with intrastate benefits only and with and without delivered fuel benefits**
20 **at the program level. Did the Company perform that analysis, and what are the**

1 **findings with respect to the comparison of the cost of energy efficiency to the cost of**
2 **supply?**

3 A. The Company has provided the comparison of the cost of supply with the cost of energy
4 efficiency at the program and portfolio level with intrastate benefits only and without
5 delivered fuel benefits as the primary view in Section 6.6 of the 2025 Annual Plan. Other
6 views, including with delivered fuels benefits included, are provided in Tables E-12 and
7 G-12 in Attachments 5 and 6, for the electric and gas portfolios, respectively.

8
9 The results of the comparison show that, in the primary view, the cost of energy
10 efficiency is less than the cost of supply at the portfolio level for both fuels.

11 In the alternative view, without intrastate benefits, delivered fuel benefits, or participant
12 costs, the cost of energy efficiency is less than the cost of supply at the portfolio level for
13 both fuels. At the program level, the cost of four electric programs and two gas programs
14 exceeds the cost of supply. Per Commission guidance, the Company has provided its
15 reasoning as to why funding of these programs is justified. This is provided in Section
16 6.6.3 of the 2025 Annual Plan.

VI. Performance Incentive

Q. Please describe the Performance Incentive Mechanism (“PIM”) that the Company is seeking in the proposed 2025 Annual Plan?

A. The Company does not propose any changes to the structure of the PIM that was approved by the PUC in Docket No. 5076. The benefits and costs used as inputs to the PIM have been updated consistent with the benefit-cost screening and proposed budget in the 2025 Annual Plan.

Q. Please describe the shareholder incentive that the Company is seeking in the proposed 2025 Annual Plan?

A. Consistent with the approved PIM structure in Docket No. 5076, the Company is seeking electric performance incentives of \$2,553,974 (through non-income eligible and C&I) and natural gas performance incentives of \$604,043 (all through C&I).

Q. How does the earning opportunity in 2025 compare to the earnings opportunity in 2024?

A. Please see the following table for a comparison of 2024 and 2025 earnings opportunity.

1

Portfolio	2024 Incentive	2025 Incentive	Difference	% Difference
Electric	\$4,079,089	\$2,553,974	-\$1,525,115	-37.4%
Gas	\$904,972	\$604,043	-\$300,929	-33.3%

2

3

4

5

6

7

Q. How were the proposed shareholder incentives determined and what influenced their derivation?

8

9

A. The proposed performance incentive values were calculated by multiplying the 2024 Compliance Filing payout rates approved by the PUC in Docket No. 23-35-EE, Order No. 25092 by the 2025 PIM-eligible net benefits. In this way, the Company proposes to maintain the share of 2025 Annual Plan benefits that accrue to customers, and it should

10

11

12

1 serve to continue to align utility performance with the public interest. In 2025, the
2 Company proposes an electric portfolio payout rate of 7 percent of 2024 planned PIM-
3 eligible net benefits, which is the same rate used to calculate the 2024 Compliance Filing
4 payout pool. In 2025, the Company proposes a gas portfolio payout rate of 10 percent of
5 2025 planned PIM-eligible net benefits, which is the same rate used to calculate the 2024
6 Compliance Filing payout pool.

7
8 **VII. Requested Ruling**

9 **Q. What rulings is the Company seeking as it relates to the Annual Plan?**

10 A. In accordance with Section 3.3.C. of the LCP Standards, the Company requests that the
11 PUC approve: (i) initial Annual savings goals and strategies for Energy Efficiency and
12 Conservation Procurement portfolios that meet the LCP Standards; (ii) initial Annual
13 budgets for Energy Efficiency and Conservation Procurement portfolios that meet the
14 LCP Standards; and (iii) Annual performance incentive plan for Energy Efficiency and
15 Conservation Procurement that meet the LCP Standards.

16
17 **VIII. Conclusion**

18 **Q. Does this conclude your testimony?**

19 A. Yes, it does.

Attachments

- Attachment 1: 2025 Residential and Income Eligible EE Solutions and Programs
- Attachment 2: 2025 C&I EE Solutions and Programs
- Attachment 3: 2025 Evaluation, Measurement, and Verification Plan
- Attachment 4: 2025 Rhode Island Test Description
- Attachment 5: 2025 Electric Energy Efficiency Program Tables
- Attachment 6: 2025 Gas Energy Efficiency Program Tables
- Attachment 7: 2025 Pilots, Demonstrations and Assessment
- Attachment 8: Cross-Program Summary
- Attachment 9: Definitions
- Attachment 10: 2024 Rhode Island Energy Efficiency Equity Working Group Report

Schedules

- SCHEDULE A: 2025 Energy Efficiency Annual Plan and Attachments

[Please note that Schedule A can be found following the testimony of Company witnesses

Spencer Lawrence, Mark Siegal, Jeremy Newberger and Nicholas Zhu]

PRE-FILED DIRECT TESTIMONY

OF

SPENCER LAWRENCE

October 1, 2024

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1 **I. Introduction**

2 **Q. Mr. Lawrence, please state your name and business address.**

3 A. My name is Spencer Lawrence. My business address is 280 Melrose Street, Providence,
4 Rhode Island 02907.

6 **Q. By whom are you employed and in what position?**

7 A. I am employed through SOFT Inc. as a contractor supporting The Narragansett Electric
8 Company d/b/a Rhode Island Energy's ("Rhode Island Energy" or the "Company"). I
9 serve as a Program Strategy Analyst. In this role, I support the Company's energy
10 efficiency strategy, policy, and planning in Rhode Island.

12 **Q. On whose behalf are you testifying?**

13 A. I am testifying on behalf of the Company.

15 **Q. Please describe your education and your professional experience.**

16 A. I received a Bachelor of Arts in Political Science from Brown University. I began
17 supporting Rhode Island Energy as a Contractor in January of 2023. Prior to that, I
18 worked several jobs in the energy efficiency and renewable energy industry, including as
19 an energy auditor, a program manager for the Massachusetts Department of Energy
20 Resources, and for a solar photovoltaic system installer.

1 **Q. Have you previously testified before the Public Utilities Commission (“PUC” or the**
2 **“Commission”)?**

3 A. Yes. I testified before the Commission relating to the Company’s 2024-2026 Three Year
4 Energy Efficiency and Conservation Procurement Plan (the “Three-Year Plan”) and 2024
5 Annual Energy Efficiency and Conservation Procurement Program Plan (“2024 Annual
6 Plan”) in Docket No. 23-35-EE.

7
8 **II. Residential and Income Eligible Programs**

9 **Q. Please provide a list of all Residential & Income Eligible Programs proposed in the**
10 **Company’s 2025 Annual Energy Efficiency and Conservation Procurement**
11 **Program Plan (“2025 Annual Plan”)?**

12 A. Residential Market Rate Programs:

- 13 • EnergyWise Single Family
- 14 • EnergyWise Multifamily
- 15 • Residential High Efficiency Heating and Hot Water
- 16 • Residential Consumer Products
- 17 • Residential New Construction
- 18 • Home Energy Reports

19 Income Eligible Programs:

- 20 • Income Eligible Single Family
- 21 • Income Eligible Multifamily

1 **Q. For each program listed above, please provide: (A) a brief description of the**
2 **program; and (B) how an eligible customer would enroll in the program.**

3 A. 1. EnergyWise Single Family

4 (A) The EnergyWise Single Family (“EW SF”) program offers comprehensive energy
5 efficiency services for single family (1-4 unit) homes. The program uses a whole-house
6 approach to identify energy saving opportunities in all major energy systems and end
7 uses, including heating, cooling, and water heating systems, as well as water saving
8 measures, plug loads, and building envelope leaks (air and thermal barriers). EW SF
9 provides in-home services in two phases: home energy assessment and weatherization.

10
11 (B) The first step in the process is a comprehensive Home Energy Assessment.
12 Customers can schedule this assessment through the RISE website
13 (<https://www.riseengineering.com/residential/get-started>) or by calling 1-888-633-7947.

14
15 2. EnergyWise Multifamily

16 (A) The EnergyWise Multifamily (“EW MF”) program offers comprehensive energy
17 services for multifamily customers (buildings with 5+ dwelling units) including:

- 18 • Energy assessments; and
- 19 • Incentives for energy efficient equipment and measures such as insulation, air-sealing,
20 heating, cooling and domestic hot water systems, thermostats, smart strips, water
21 saving measures, common-area lighting, and eligible air source heat pumps.

1 (B) The first step in the process is a comprehensive Energy Assessment. Customers can
2 schedule this assessment through the RISE website
3 (<https://www.riseengineering.com/multifamily/get-started>) or by calling 1-888-633-7947.
4

5 3. Residential High Efficiency Heating and Hot Water

6 (A) The High-Efficiency Heating, Ventilation, and Air Conditioning (HVAC) and Hot
7 Water programs (often referred to the “Residential HVAC” or just “HVAC” program for
8 short) promotes and incentivizes the installation of high-efficiency electric and gas
9 equipment through the following rebates and services:

- 10 • Customer rebates on energy-efficient equipment:
- 11 ○ Boilers
 - 12 ○ Combined condensing boilers
 - 13 ○ Furnaces
 - 14 ○ ENERGY STAR Most Efficient windows
 - 15 ○ Hot water heaters
 - 16 ○ Air source heat pumps (central and ductless)
 - 17 ○ Air source heat pump water heaters
 - 18 ○ Smart thermostats
 - 19 ○ Water saving devices
 - 20 ○ Boiler ECM pumps

1 • Contractor services:

- 2 ○ Quality installation verification
- 3 ○ Contractor training
- 4 ○ Contractor incentives
- 5 ○ Upstream incentives (discount taken at the distributor level)
- 6

7 (B) The HVAC and Hot Water program is cross promoted through the following

8 programs: EnergyWise, Multifamily, Residential New Construction, and Home Energy

9 Reports. Customers can apply for a rebate on energy-efficient equipment through the RIE

10 rebate portal (<https://frontdoor.portal.poweredbyefi.org/initiative/rienergy>).

11

12 4. Residential Consumer Products

13 (A) The Residential Consumer Products (“RCP”) program incorporates the

14 Environmental Protection Agency (“EPA”) ENERGY STAR categories of consumer

15 appliances, select building products, and some energy-saving items not included by the

16 EPA. The largest savings element of the RCP program comes from recycling older

17 refrigerators, dehumidifiers, and freezers.

18

19 (B) Consumers can purchase products at a local retailer, online at the RIE Marketplace,

20 or through any online retailer (if the product meets product specifications and there is a

21 receipt). The RIE Marketplace is a streamlined portal through which customers can buy

1 efficient products with the rebate already applied, eliminating the need for the customer
2 to apply for the rebate post-sale.

3
4 5. Residential New Construction

5 (A) The Residential New Construction (“RNC”) program offers financial incentives and
6 no-cost education, training and technical support to builders and homeowners to promote
7 the construction of high performing energy-efficient single family, multifamily and
8 income eligible homes. The program helps residential new construction and major
9 renovation projects meet high energy performance standards and provides education and
10 training support to builders, designers, tradespeople, and code officials.

11
12 (B) The RNC project pipeline is developed primarily through coordination with Rhode
13 Island permitting departments, engagement of the building industry, and referrals from
14 EnergyWise and Rhode Island Housing. A participating customer/project team officially
15 begins the enrollment process by calling or emailing the RNC program.

16
17 6. Home Energy Reports

18 (A) The Home Energy Reports (“HER”) program is a statewide energy efficiency
19 offering that provides benefits for Rhode Island residential customers through the mailing
20 and emailing of customer-specific energy usage reports and insights. While over 300,000
21 customers receive home energy reports (i.e., the treatment group) by way of direct mail

1 and/or e-mail, all account holders have access to insights into their energy consumption
2 via the web tools located on the Company’s website. The program has evolved since
3 2013 from offering only mailed insights to now being integrated into the Company’s
4 website with online assessment tools, sending Non-Advanced Metering Infrastructure
5 High Usage Alerts, and utilizing segmentation to target different populations with
6 relevant messaging.

7
8 (B) Most Rhode Island residential Electric and Gas customers are eligible for the HER
9 program. Customers with an email address on record will also receive an electronic
10 version of the report. All customers have access to the online home energy assessment
11 and related insights.

12
13 7. Income Eligible Single Family

14 (A) The Income Eligible Single Family (“IE SF”) Program offers home energy
15 assessments, weatherization services, appliance, and heating system replacements with no
16 customer cost to qualified single-family (1-4 unit) customers. Customers who qualify for
17 the A-60 rate or the Low-Income Home Energy Assistance Program are eligible to
18 receive all services and equipment upgrades at no cost. The IE SF program services are
19 delivered by local Community Action Program (“CAP”) agencies who coordinate with
20 outside contractors that perform heating system and appliance replacements and
21 weatherization installations with oversight provided by a Lead Vendor.

(B) The IE SF program is promoted through various means including a marketing specialist, cross-marketing at community expos, social media outreach, coordination with non-profits in Rhode Island, and the Company's call center. The primary point for customers to enroll in the IE SF program is through the CAP agencies.

8. Income Eligible Multifamily

(A) The Income Eligible Multifamily ("IE MF") program summary is the same as the EW MF response above (#2(A)).

(B) The IE MF enrollment is identical to the EW MF response above (#2(B)), except that eligible measures are covered at 100% for IE MF, with no cost to the customer.

III. Changes in the 2025 Annual Plan

Q. What are the key differences in the Residential and Income Eligible Programs in the 2025 Annual Plan as compared to the 2024 Annual Plan?

A. The key differences in the Residential and Income Eligible Programs in the 2025 Annual Plan as compared to the 2024 Annual Plan are primarily summarized in Attachment 1 (specifically, in the X.4 subsection of each program; "2025 Program Enhancements, Changes, and Other Notable Items"). The following are changes that the Company wishes to highlight:

1 In the EnergyWise Single Family program:

- 2 • All audit expenses were previously billed to EW SF-electric. The Company
- 3 proposes that gas audits now be billed under EW SF-gas. This change is
- 4 being proposed to provide a more accurate representation and projection of
- 5 costs.
- 6 • The incentive for weatherization for delivered fuels (“DF”) customers was
- 7 reduced from 75% to 50%. In addition, the planned quantities were reduced
- 8 by 20%. This was done in an effort to improve the program’s performance
- 9 relative to the additional cost of supply lens.
- 10 • Planned quantities of electric, non-DF measures were increased by 20%. This
- 11 was done in an effort to improve the program’s performance relative to the
- 12 additional cost of supply lens.

13

14 In the Income Eligible Single Family (“IE SF”) program:

- 15 • Planned quantities of Heating System Replacements (“HSRs”) for delivered
- 16 fuel heating systems were reduced by 85%, relative to 2023 actuals. This was
- 17 done in an effort to improve the program’s performance relative to the
- 18 additional cost of supply lens, as well as to avoid new DF combustion systems
- 19 being installed.
- 20

1 Throughout the year, the Company has grappled with the issue of cost of supply,
2 delivered fuels, and justification. The changes above were largely a result of this. Further
3 thoughts, analysis, and discussion on this topic, both at large and for specific programs,
4 can be found in the 2025 Annual Plan, Main Text, Section 6 “Consistency with
5 Standards,” and in particular, Section 6.6 “Cost of Annual Plan Compared to the Cost of
6 Energy Supply”.

7
8 **IV. Conclusion**

9 **Q. Does this conclude your testimony?**

10 **A.** Yes, it does.

PRE-FILED DIRECT TESTIMONY

OF

MARK SIEGAL

October 1, 2024

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1 **I. Introduction**

2 **Q. Mr. Siegal, please state your name and business address.**

3 A. My name is Mark Siegal. My business address is 280 Melrose Street, Providence, Rhode
4 Island 02907.

6 **Q. By whom are you employed and in what position?**

7 A. I am employed by The Narragansett Electric Company d/b/a Rhode Island Energy
8 ("Rhode Island Energy" or the "Company") as a Program Strategy Analyst. In this role, I
9 am a member of the team responsible for the Company's energy efficiency strategy,
10 policy, and planning in Rhode Island.

12 **Q. Please describe your education and your professional experience.**

13 A. I received a Bachelor of Science in Economics from Temple University and a Masters in
14 Energy Management and Policy from the University of Pennsylvania. I joined National
15 Grid in 1994 as a program manager and was involved in implementing C&I energy
16 efficiency programs for approximately 20 years. I retired from National Grid in
17 September 2023 and joined Rhode Island Energy in September 2023.

1 **Q. Have you previously testified before the Public Utilities Commission (“Commission”**
2 **or “PUC”)?**

3 A. Yes. I testified before the PUC relating to the 2024-2026 Three Year Energy Efficiency
4 and Conservation Procurement Plan (the “Three-Year Plan”) and the Company’s 2024
5 Annual Energy Efficiency and Conservation Procurement Program Plan (“2024 Annual
6 Plan”) in PUC Docket 23-35-EE.

7
8 **II. Commercial and Industrial Programs**

9 **Q. Please provide a list of all Commercial & Industrial (“C&I”) Programs proposed in**
10 **the Company’s Annual Energy Efficiency and Conservation Procurement Program**
11 **Plan for 2025 (“2025 Annual Plan”)?**

12 A. Below is the list of all C&I Programs proposed in the 2025 Annual Plan.

- 13 • Large Commercial & Industrial New Construction
- 14 • Large Commercial Retrofit
- 15 • Small Business Direct Install
- 16 • C&I Multifamily Program

1 **Q. For each program listed above, please provide: (A) a brief description of the**
2 **program; and (B) and explanation of how an eligible customer could enroll in the**
3 **program.**

4 A. 1. Large Commercial & Industrial New Construction

5 (A) The Large C&I New Construction Program offers financial incentives and technical
6 assistance to customers, design professionals, developers, and vendors to encourage
7 energy efficiency in new construction, major renovation, planned replacement of aging
8 equipment, and replacement of failed equipment projects. All Rhode Island Energy
9 business customers are eligible to take advantage of the Large C&I New Construction
10 Program when building a new building, conducting renovations of an existing building,
11 planned replacement of aging equipment or replacing failed equipment. The Company
12 promotes the Large C&I New Construction Program through a variety of channels
13 including, but not limited to, direct outreach by the Company's Energy Efficiency team to
14 customers, marketing campaigns, and outreach to vendors and trade allies.

15
16 (B) There are two pathways to enroll in the Large C&I New Construction Program:

17 *Pathway 1* (Energy Use Intensity / Zero Net Energy Ready): For Pathway 1, the
18 Company's Energy Efficiency team reaches out to customers, owners and developers
19 regarding new construction project opportunities. Over the years, several customers and
20 design teams have become repeat participants. If the customer decides to participate in

1 energy efficiency programs, the Company's team engages with the customer project
2 design team and facilitates a design charette to establish customer project goals.

3 *Pathway 2 (Streamlined/Systems Approach):* The Company's Energy Efficiency team
4 works with and approaches customers, building owners and owner representatives
5 regarding new construction or major renovation projects. If a customer decides to move
6 forward with a project, they can choose to: (1) select a vendor of their choice to install
7 energy efficiency measures or (2) to develop the project with technical assistance from
8 the Company's Energy Efficiency team.

9
10 2. Large Commercial Retrofit

11 (A) All commercial, industrial and institutional customers are eligible to participate in the
12 Retrofit Program. The program incentivizes the replacement of existing equipment and
13 systems with high efficiency alternatives such as lighting, HVAC systems, motors,
14 thermal envelope measures and custom measures in existing buildings. Technical
15 assistance is offered to customers to help them identify energy-saving opportunities.

16
17 (B) The Large Commercial Retrofit Program offers customers a variety of pathways to
18 participate. Typically, a Company sales representative is assigned to cover any large C&I
19 account, defined as a customer with at least 1.5 million kWh or 100,000 therms of annual
20 energy usage, schools, municipalities, and national accounts. The general customer
21 journey through the Large Commercial Retrofit program is:

- A facility audit or walk-through by the Company, customer or a third-party vendor identifies one or more energy efficiency opportunities.
- In most cases, especially custom measures, the Company provides an offer letter committing to a specific incentive and laying out the project's requirements. The customer signs and submits the offer letter.

3. Small Business Direct Install

(A) The Small Business Program is a retrofit offering that provides turn-key efficiency solutions to customers who use less than 1.5 million kWh per year. Through the program, a free on-site energy assessment is performed, and customers receive a customized report detailing recommended energy-efficient improvements.

(B) Customers have a number of ways to participate in the Small Business program, whether through outreach (e.g. placed advertisements, emails, direct mail campaigns, social media, events and conferences) by the Company and/or the implementation vendor or a customer signing up for an energy assessment by either calling, emailing or using an online form to express interest in the program. After this initial contact, the customer is connected to a dedicated Small Business program representative to learn details about the program's processes and next steps.

1 4. Commercial and Industrial Multifamily

2 (A) The C&I Multifamily Program provides comprehensive efficiency services for
3 market-rate multifamily customers who reside in buildings with five or more dwelling
4 units. These coordinated services include energy assessments and incentives for
5 weatherization and the replacement of heating and domestic hot water equipment and
6 systems. The program's services are offered for all types of multifamily properties.

7
8 (B) The first step in the process is a comprehensive Energy Assessment. Customers can
9 schedule this assessment through the RISE website
10 (<https://www.riseengineering.com/multifamily/get-started>) or by calling 1-888-633-7947.

11
12 **III. Changes in the proposed 2025 Annual Plan**

13 **Q. What are the key differences in the C&I Programs in the 2025 Annual Plan as**
14 **compared to the 2024 Annual Plan?**

15 A. In the 2025 Annual Plan, the Company proposes to continue to offer customers the C&I
16 Programs available to customers in the 2024 Annual Plan. Key differences between the
17 2024 Annual Plan and the 2025 Annual Plan include changes to the portfolio of lighting
18 measures and measure lives due to Rhode Island's mercury ban legislation effective
19 January 1, 2025, and passage of the 2024 International Energy Conservation Code
20 ("IECC 2024"). In addition, as detailed in the 2025 Annual Plan at Table 5, Costs of
21 Energy Efficiency and Costs of Energy Supply, Electric Program and Table 6, Costs of

1 Energy Efficiency and Costs of Energy Supply, Gas Program, the C&I Programs costs of
2 energy efficiency are less than the cost of supply. Additional information regarding
3 proposed changes to the C&I Programs can be found in Attachment 2 to the Plan.
4

5 **Q. Please provide additional details regarding the mercury ban legislation and IECC**
6 **2024 mentioned above.**

7 A. Rhode Island's Mercury Reduction and Education Act is codified at R.I. Gen. Laws §§
8 23-24.9-1, *et seq.* In order to address provisions of the law that will become effective on
9 January 1, 2025 the Company incorporated the following features into the 2025 Annual
10 Plan:

- 11 • Efficiency baselines for “replace on failure” projects have been increased to reflect
12 the ban on sale of lamps containing mercury (e.g. T-8 lamps); and
- 13 • Measure lives have been shortened for retrofit projects where the Company's
14 Programs are accelerating the replacement of existing fluorescent lamps.
15

16 To address the effectiveness of IECC 2024 the Company is no longer proposing to
17 provide rebates for lighting control dimming and occupancy sensors since these measures
18 are now deemed to be baseline for new construction projects.
19

1 IV. Conclusion

2 Q. Does this conclude your testimony?

3 A. Yes.

PRE-FILED DIRECT TESTIMONY

OF

JEREMY NEWBERGER

October 1, 2024

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1 **I. Introduction**

2 **Q. Mr. Newberger, please state your name and business address.**

3 A. My name is Jeremy Newberger. My business address is 685 3rd Avenue, 14th Floor, New
4 York, NY, 10017.

6 **Q. By whom are you employed and in what position?**

7 A. I am employed by Guidehouse, Inc., as an Associated Director in the Energy,
8 Sustainability and Infrastructure practice area, focused on supporting Energy Providers in
9 the North Market area of the United States. For The Narragansett Electric Company
10 d/b/a Rhode Island Energy (“Rhode Island Energy” or the “Company”), I lead a team
11 supporting planning, evaluation, and reporting activities for energy efficiency.

13 **Q. Please describe your education and your professional experience.**

14 A. I received a Bachelor of Science in Energy Engineering from the University of Illinois at
15 Chicago and a Masters of Science in Technology and Policy from the Massachusetts
16 Institute of Technology. I have been working at Guidehouse since 2019. Prior to that, I
17 worked at National Grid in Massachusetts for over 20 years. I have also worked at
18 Pacific Gas and Electric Company in San Francisco, Energy Investment Inc, in Boston,
19 and Sieben Energy in Chicago. Throughout my career, I have primarily been engaged in
20 energy efficiency in the areas of strategy, planning, reporting, evaluation, technical
21 analysis, cost-effectiveness testing, and regulatory and stakeholder engagement. I also

1 have experience in generation and transmission planning at the utilities where I have
2 worked.

3
4 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
5 **(“PUC”)?**

6 A. Yes. I have testified several times before the PUC, on behalf of National Grid and, at
7 Guidehouse, on behalf of Rhode Island Energy. Most recently, I testified in support of
8 the Rhode Island Energy’s 2024 -2026 Three Year Energy Efficiency and Conservation
9 Procurement Plan (the “Three-Year Plan”) and the Company’s 2024 Annual Energy
10 Efficiency and Conservation Procurement Program Plan (“2024 Annual Plan”) in Docket
11 23-35-EE in December 2023.

12
13 **II. Background**

14 **Q. What is the purpose of this testimony?**

15 A. The purpose of my testimony is to highlight and explain methodological changes in the
16 quantitative analysis included in the Company’s 2025 Annual Energy Efficiency and
17 Conservation Procurement Program Plan (“2025 Annual Plan”) which Guidehouse
18 performed in support of Rhode Island Energy, from what was included in the 2024
19 Annual Plan. Both Mr. Nicholas Zhu and I are submitting testimony on this topic; I
20 supervised this work and Mr. Zhu led most of the detailed quantitative analysis.

1 **Q. Specifically, on what areas of the 2025 Annual Plan did you work?**

2 A. I worked on the following quantitative areas and the narrative associated with them:

- 3 • Benefit-cost analysis
- 4 • Calculation of energy efficiency charges
- 5 • Bill impact analysis
- 6 • Equity analysis (Figures 1 and 2)
- 7 • Comparisons with three-year plan
- 8 • Analysis of total energy efficiency in Rhode Island
- 9 • Cost of supply analysis
- 10 • Performance Incentive Mechanism (PIM) calculation
- 11 • Docket 4600 tables
- 12 • Attachments 5 and 6 contents
- 13 • Rhode Island Technical Reference Manual, including incorporation of recent
- 14 evaluation results and adjustments due to Rhode Island's adoption of the 2024
- 15 International Energy Conservation Code ("IECC 2024")
- 16 • Compilation of budgets

17
18 **III. Methodological Changes to 2025 Annual Plan**

19 **Q. What methodological changes from the 2024 Annual Plan were incorporated into**
20 **the quantitative analysis of the 2025 Annual Plan?**

21 A. The following methodological changes were made:

- Use of the 2024 Avoided Energy Supply Component in New England Study (“AESC 2024”) in place of AESC 2021
- Use of biofuel blend avoided costs for fuel oil
- Update to the calculation of participant costs used in cost-effectiveness calculations
- Revisions to the calculation of the Cost of Supply
- Changes to the calculation of Avoided Transmission and Distribution Capacity Value
- Revisions to the calculation of Bill and Rate Impacts
- Changes to the treatment of Rate Discount in the benefit-cost analysis
- Changes to the calculation of the proposed Performance Incentive Mechanism payout
- Minor changes to the calculation of carbon impacts

Q. Please describe the change relating to the “Use of the 2024 Avoided Energy Supply Component in New England Study (AESC 2024) in place of AESC 2021” and why it was made.

A. The new Avoided Cost study was published in February 2024 and updated in May 2024. It reflects the latest consensus views and modelling about the regional energy markets and replaced the outdated AESC 2021. AESC 2024 provides a set of counterfactuals for the valuation of energy efficiency, where the counterfactual provides the value for the

1 next unit of energy efficiency by assuming a future without energy efficiency. The
2 Company has adopted the avoided costs from AESC 2024 as the latest and best forecast
3 of avoided costs for application in its cost-effectiveness analyses.
4

5 **Q. Please describe the change relating to the “Use of biofuel blend avoided costs for**
6 **fuel oil” and why it was made.**

7 A. In 2021, the Rhode Island state senate approved an act titled, “Relating to Health and
8 Safety – Biodiesel Products” that dictates “not later than July 1, 2025, all No. 2 distillate
9 heating oil sold in the state shall at a minimum meet the standards for B20 biodiesel
10 blend” (the “Act”). The Act specified that distillate oil sold as of certain dates should
11 meet the requirements of progressively higher amounts of biofuel in biofuel blends: B10
12 as of July 1, 2023, B20 as of July 1, 2025, and B50 as of July 1, 2050. To model this, the
13 Company used the 2024 AESC Study’s estimates of avoided fuel costs and avoided GHG
14 value for B20 biofuels to calculate fuel oil benefits. for the entire analysis period.
15

16 **Q. Please describe the change relating to the “Update to the calculation of participant**
17 **costs used in cost-effectiveness calculations” and why it was made.**

18 A. The Company does not collect data on participant costs for use in cost-effectiveness
19 testing. In cost-effectiveness testing, the measure cost is modified by the net-to-gross

1 ratio (a combination of free-ridership and spillover rates¹) to net out the costs that free-
2 riders would have paid anyway for the energy efficiency measures. Then, it calculates
3 participant costs as the difference between measure costs and incentives. By doing this in
4 cost-effectiveness calculations, the denominator of the equation does not count the costs
5 paid by free-riders just as the numerator does not count benefits created by those free-
6 riders. In the 2025 Annual Plan, the Company allowed calculated participant costs to be
7 negative, whereas in the 2024 Annual Plan, if the calculation had resulted in a negative
8 value, it was set to zero. The Company made this change after reviewing the
9 Massachusetts Program Administrator benefit-cost model and the National Standard
10 Practice Manual and believes it is consistent with these paradigms of best practice. A
11 negative participant cost will affect the determination of cost-effectiveness by adjusting
12 costs to reflect free-ridership.

13
14 **Q. Please describe the changes relating to the “Revisions to the calculation of the Cost**
15 **of Supply” and why they were made.**

16 A. The view of the Cost of Supply filed by the Company in its 2024 Annual Plan included
17 delivered fuel benefits, out-of-state benefits, and participant costs. In its decision on the
18 2024 Annual Plan and the associated Order 25092, the Commission directed that the Cost

¹ Free-riders are program participants who would have installed the same energy efficiency measures regardless of the Company's programs; spillover results from prior participants installing energy efficiency measures on their own (without new programmatic intervention) because of the prior participation. The balance of the response focuses on free-ridership as it is generally larger and therefore has more influence on calculation described here.

1 of Supply for the 2025 Annual Plan filing be calculated with intrastate benefits only and
2 with and without delivered fuel benefits. The Company made these changes and includes
3 the program and portfolio level calculations with only intrastate benefits and without
4 delivered fuel benefits as the “primary view” in Section 6.6 of the 2025 Annual Plan.
5 The Company includes the program and portfolio level calculations with delivered fuel
6 benefits as alternative views of the Comparison of the Cost of Efficiency to Supply
7 (which the Company refers to as CoCOES) in Tables E-12 and G-12 of Attachments 5
8 and 6, respectively. Finally, in Section 6.6.3, as directed by the Commission, where the
9 CoCOES calculation is negative, the Company provides a justification for all programs
10 where the Cost of Efficiency is greater than the Cost of Supply in the primary view.
11

12 **Q. The Company indicates in Table 5 of the Annual Plan that the primary view of**
13 **“CoCOES” in the 2025 Annual Plan does not include participant costs. Why is**
14 **that?**

15 A. The Company understood that the PUC’s focus in the guidance it provided about the
16 calculation of the Cost of Supply is on utility system costs and utility system benefits.
17 Removal of participant costs is consistent with that understanding.
18

19 **Q. Are there any changes to the Cost of Supply calculation from the calculation**
20 **presented in the 2024 Annual Plan other than those described by you and Mr. Zhu?**

21 A. No.

1 **Q. Please describe the change “Revisions to the calculation of Avoided Transmission**
2 **and Distribution Capacity Value” and why it was made.**

3 A. The Company refined the assumption it used for the percentage of the forecast
4 transmission and distribution capital budgets potentially avoidable by energy efficiency.
5 The Company reviewed the capital forecast provided in the FY 2025 Electric
6 Infrastructure, Safety, and Reliability (ISR) filing in Docket No. 23-48-EL, allocated it
7 between transmission and distribution based on historic spending patterns and reviewed
8 project details in the ISR to determine which specific projects could be potentially
9 avoidable by energy efficiency. The budget for these projects was divided by the total
10 capital budget to determine the avoidable percentages. This change was made to better
11 link the estimation of avoidable transmission and distribution capital expenses with the
12 details of the capital expense forecast.

13
14 **IV. Conclusion**

15 **Q. Does that conclude your testimony?**

16 A. Yes. This concludes my testimony.

JOINT PRE-FILED DIRECT TESTIMONY

OF

NICHOLAS ZHU

October 1, 2024

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1 **I. Introduction**

2 **Q. Mr. Zhu, please state your name and business address.**

3 A. My name is Nicholas Zhu. My business address is 685 3rd Avenue, 14th Floor, New York,
4 NY, 10017.

6 **Q. By whom are you employed and in what position?**

7 A. I am employed by Guidehouse, Inc., as a Managing Consultant in the Energy,
8 Sustainability and Infrastructure practice area, focused on supporting Energy Providers in
9 the North Market area of the United States. For The Narragansett Electric Company d/b/a
10 Rhode Island Energy (“Rhode Island Energy” or the “Company”), I support planning,
11 evaluation, and reporting activities for energy efficiency.

13 **Q. Please describe your education and your professional experience.**

14 A. I received a Bachelor of Arts in Environmental Studies and Urban Studies from the
15 University of Pennsylvania. I have been working at Guidehouse since my graduation in
16 2021. At Guidehouse, I have primarily been engaged in energy efficiency in the areas of
17 strategy, planning, reporting, evaluation, technical analysis, cost-effectiveness testing,
18 and regulatory and stakeholder engagement.

1 **Q. Have you previously testified before the Public Utilities Commission (“PUC”)?**

2 A. Yes. I testified before the PUC in the evidentiary hearings in Docket 23-35-EE related to
3 the 2024-2026 Three Year Energy Efficiency and Conservation Procurement Plan (the
4 “2024-2026 Three Year Plan”) and the Company’s 2024 Annual Energy Efficiency and
5 Conservation Procurement Program Plan (“2024 Annual Plan”).

6
7 **II. Background**

8 **Q. What is the purpose of this testimony?**

9 A. The purpose of my testimony is to highlight and explain methodological changes in the
10 quantitative analysis included in the Company’s 2025 Annual Energy Efficiency and
11 Conservation Procurement Program Plan (“2025 Annual Plan”) which Guidehouse
12 performed in support of Rhode Island Energy, from what was included in the 2024
13 Annual Plan. Both Mr. Jeremy Newberger and I are submitting testimony on this topic;
14 Mr. Newberger supervised this work and I led most of the detailed quantitative analysis.

15
16 **Q. Specifically, what areas of the 2025 Annual Plan did you work on?**

17 A. I worked on the following quantitative areas and the narrative associated with them:

- 18 • Benefit-cost analysis
- 19 • Calculation of energy efficiency charges
- 20 • Bill impact analysis
- 21 • Equity analysis (Figures 1 and 2)

- Comparisons with three-year plan
- Analysis of total energy efficiency in Rhode Island
- Cost of supply analysis
- Performance Incentive Mechanism (“PIM”) calculation
- Docket 4600 tables
- Attachments 5 and 6 contents
- Rhode Island Technical Reference Manual, including incorporation of recent evaluation results and adjustments due to Rhode Island’s adoption of the 2024 International Energy Conservation Code (“IECC 2024”)
- Compilation of budgets

III. Methodological Changes to 2025 Annual Plan

Q. What methodological changes from the 2024 Annual Plan were incorporated into the quantitative analysis of the 2025 Annual Plan?

A. The following methodological changes were made:

- Use of the 2024 Avoided Energy Supply Component in New England Study (“AESC 2024”) in place of AESC 2021
- Use of biofuel blend avoided costs for fuel oil
- Update to the calculation of participant costs used in cost-effectiveness calculations
- Revisions to the calculation of the Cost of Supply

- Changes to the calculation of Avoided Transmission and Distribution Capacity Value
- Revisions to the calculation of Bill and Rate Impacts
- Changes to the treatment of Rate Discount in the benefit-cost analysis
- Changes to the calculation of the proposed PIM payout
- Minor changes to the calculation of carbon impacts

Q. What findings related to the application of AESC 2024 are notable?

A. The Company used “Counterfactual #3” from AESC 2024, which focuses on the value of energy efficiency alone, because electrification, distributed generation and demand response are all administered separately from energy efficiency. In addition to providing an updated set of avoided costs, AESC 2024 also provided, for the first time, non-zero avoided costs for winter kW savings because it found that the growth of electrification would contribute to winter peaks by the mid-2030s. Also of note, AESC 2024 provides a non-zero value for carbon dioxide mitigation after 2033. While the study modeled compliance with the state’s Renewable Energy Standard in 2033, the study’s authors note that, because New England is a regional market and other states have longer timelines to achieve a carbon-free grid, the value of carbon mitigation even in Rhode Island post-2033 is not zero.

1 **Q. Why did the Company use the biofuel B20 blend avoided costs for the entire**
2 **analysis period, when the 2021 act titled, “Relating to Health and Safety – Biodiesel**
3 **Products” specified compliance with B50 requirements in 2030?**

4 A. The Company first decided to use the B20 avoided costs for the period of January
5 through June 2025. Since the average measure life of the typical measure is
6 approximately eleven years, using a lower value (e.g., B20 vs. B10) for six months of the
7 measure life was a reasonable simplifying assumption that did not significantly affect the
8 overall benefit calculation. The Company then observed that, when summed, the avoided
9 costs and avoided GHG value for B20 and B50 from AESC 2024 were very similar in
10 each year. Therefore, the Company simplified the modeling exercise by using the
11 avoided costs for B20 through the analysis period.

12
13 **Q. Please describe the change relating to the “Update to the calculation of participant**
14 **costs used in cost-effectiveness calculations” and why it was made.**

15 A. The Company does not collect data on participant costs for use in cost-effectiveness
16 testing. In cost-effectiveness testing, the measure cost is modified by the net-to-gross
17 ratio (a combination of free-ridership and spillover rates¹) to net out the costs that free-
18 riders would have paid anyway for the energy efficiency measures. Then, it calculates

¹ Free-riders are program participants who would have installed the same energy efficiency measures regardless of the Company's programs; spillover results from prior participants installing energy efficiency measures on their own (without new programmatic intervention) because of the prior participation. The balance of the response focuses on free-ridership as it is generally larger and therefore has more influence on calculation described here.

1 participant costs as the difference between measure costs and incentives. By doing this in
2 cost-effectiveness calculations, the denominator of the equation does not count the costs
3 paid by free-riders just as the numerator does not count benefits created by those free-
4 riders. In the 2025 Annual Plan, the Company allowed calculated participant costs to be
5 negative, whereas in the 2024 Annual Plan, if the calculation had resulted in a negative
6 value, it was set to zero. The Company made this change after reviewing the
7 Massachusetts Program Administrator benefit-cost model and the National Standard
8 Practice Manual and believes it is consistent with these paradigms of best practice. A
9 negative participant cost will affect the determination of cost-effectiveness by adjusting
10 costs to reflect free-ridership.

11
12 **Q. Is this change the reason why, in Table G-5, the participant costs for the gas**
13 **multifamily program are negative?**

14 A. Yes. Specifically for the gas multifamily program, the free ridership rate for a few
15 measures is relatively high (equal to or greater than 33 percent) and the netted-out costs
16 paid by free-riders drive the participant cost negative for the program. The incentive cost
17 levels may indicate a desire to attract participants to this program, even at the risk of
18 attracting a larger percentage of free riders.

1 **Q. Other than following the direction of the Commission from Order #25092 in the**
2 **calculation of the Cost of Supply, did the Company make any other changes to the**
3 **Cost of Supply calculation?**

4 A. Yes. The Company recategorized Pool Transmission Facility (“PTF”) transmission
5 benefits as an intrastate benefit in both the benefit-cost and Cost of Supply calculations.
6 This was done following consultation with Synapse Energy Economics staff in the wake
7 of the completion of AESC 2024. Synapse staff indicated that Rhode Island, as all New
8 England states, is included in pooled transmission and Rhode Islanders benefit from
9 avoided PTF charges due to their implementation of energy efficiency.

10
11 **Q. The Company indicates in Table 5 of the Annual Plan that the primary view of the**
12 **Comparison of the Cost of Energy and Supply (“CoCOES”) in the 2025 Annual**
13 **Plan does not include participant costs. Why is that?**

14 A. The Company understood that the PUC’s focus in the guidance it provided about the
15 calculation of the Cost of Supply is on utility system costs and utility system benefits.
16 Removal of participant costs is consistent with that understanding.

17
18 **Q. Are there any changes to the Cost of Supply calculation from the calculation**
19 **presented in the 2024 Annual Plan other than those described by you and Mr.**
20 **Newberger?**

21 A. No.

1 **Q. Please describe the change “Revisions to the calculation of the Rate and Bill**
2 **Impacts” and why it was made.**

3 A. The Company noted that during the hearings on the 2024 Annual Plan, during discussion
4 of the Cost of Supply, the Commission discussed the view of how the Cost of Supply,
5 minus delivered fuels and out of state impacts, was similar to a bill impacts calculation.
6 In preparing the 2025 Annual Plan, the Company therefore thought it might be preferred
7 to adapt the Cost of Supply analysis into a bill impact calculation and that this might be
8 more useful to the Commission in its consideration of the 2025 Annual Plan.
9

10 **Q. Please describe the revised bill impacts calculation and how it is similar to and**
11 **different from the bill impacts calculation presented in the 2024 Annual Plan,**
12 **Attachment 7.**

13 A. The revised bill impacts calculation uses the Cost of Supply minus delivered fuels and
14 out of state impacts as an estimate of bill savings. This is different from the bill impacts
15 calculation presented in the 2024 Annual Plan Attachment 7. The revised bill impacts
16 calculation uses the energy efficiency charge to reflect the cost of energy efficiency and
17 the subsequent short-term increase to customer bills. This is similar to the bill impacts
18 calculation presented in the 2024 Annual Plan, Attachment 7. Both the revised and 2024
19 Annual Plan bill impacts calculations aggregate annual estimated bill savings and annual
20 customer bills over time to produce a long-term perspective of bill impacts. The
21 granularity of presented results is slightly different between the two calculations. The

1 revised calculation shows participant and “shared w/ all customers”² bill impacts by
2 sector. The 2024 Annual Plan calculation shows participant, all customer, and non-
3 participant bill impacts by sector with separate views excluding and isolating the Home
4 Energy Reports program.

5
6 **Q. If the 2025 Annual Plan were to be approved as filed, what bill impact would an**
7 **average residential electric customer see?**

8 A. If the Annual Plan were to be approved as filed, the resulting bill impact shared across all
9 customers (regardless of energy efficiency participation) would be an increase of 0.25
10 percent, or \$0.42 for an average residential electric customer.³ The resulting bill impact
11 would be a decrease of 1.12 percent, or \$1.89 for an average residential electric energy
12 efficiency participant.

13
14 **Q. If the 2025 Annual Plan were to be approved as filed, what bill impact would an**
15 **average residential gas customer see?**

16 A. If the Annual Plan were to be approved as filed, the resulting bill impact shared across all
17 customers (regardless of energy efficiency participation) would be an increase of 0.41

² In this case, “shared w/ all customers” is defined as the cost of supply without delivered fuels and out of state impacts accruing to all customers regardless of participation in energy efficiency. For example, capacity benefits are shared by all customers, while commodity benefits accrue to energy efficiency participants only.

³ The dollar value of bill impacts are calculated assuming rates as of October 1, 2024, and typical usage of 500 kWh per month for non-low income residential customers. Dollar values of electric bill impacts are monthly.

1 percent, or \$7.38 for an average residential gas customer.⁴ The resulting bill impact
2 would be a decrease of 0.86 percent, or \$14.94 for an average residential gas energy
3 efficiency participant.

4
5 **Q. Was the Division of Public Utilities and Carriers (“Division”) consulted about this**
6 **change in the bill impacts calculation?**

7 A. The Division was consulted and provided feedback. At the time of this filing, they have
8 not endorsed, nor have they objected to this change.

9
10 **Q. Please describe the “Changes to the treatment of Rate Discount in the benefit-cost**
11 **analysis and changes to the calculation of the proposed PIM payout” and why they**
12 **were made.**

13 A. The change to the treatment of the rate discount was to eliminate it from the benefit-cost
14 calculation. The changes in the calculation of the proposed PIM payout were to discount
15 the benefits in the calculation of PIM-eligible benefits from other resources to 35 percent
16 of the full value and to use the payout rates prescribed by the Commission. Both of these
17 changes were ordered by the Commission in Order No. 25092 in Docket 23-35-EE.

⁴ The dollar value of bill impacts are calculated assuming rates as of October 1, 2024, and typical usage of 845
therms per year for non-low income residential customers. Dollar values of gas bill impacts are annual.

1 **Q. Please describe the “Minor changes to the calculation of carbon impacts” and why it**
2 **was made.**

3 A. The calculation of carbon impacts in Section 1.2.4 was changed from a focus of first-year
4 impacts to a focus on carbon reduction from 2025 installation that would still be present
5 in 2030. 2030 was chosen because it is one of the key milestone years in the Act on
6 Climate. To do this, the Company only counted the carbon impacts from measures
7 expected to be installed in 2025 that had a five-year measure life or greater.

8
9 **IV. Conclusion**

10 **Q. Does that conclude your testimony?**

11 A. Yes. This concludes my testimony.

2025 Energy Efficiency Plan

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Pre-Filed Testimony

Consistent with the revised Least Cost Procurement Standards ("LCP Standards" or "Standards"), the Company will include pre-filed testimony with the Plan that the Plan is compliant with the Standards.

1. INTRODUCTION

Rhode Island Energy (the Company) envisions its energy efficiency programs as offering a cost-effective, reliable, environmentally friendly, and affordable solution that benefits every Rhode Island family, business, and community in its territory.

Aligned with Least-Cost Procurement ("LCP"), the Company's strategy focuses on meeting customers where they are. Leveraging our local presence and strong relationships with Rhode Island families, businesses, and communities, the Company has gained insights into their needs and preferences. The Company is equipped to address gaps as they arise, such as in financing, and contribute to transforming the local market, for instance, through workforce development initiatives.

Customer bill affordability is a key priority for the 2025 Energy Efficiency Plan. During the 2024 Energy Efficiency Plan hearings, the Public Utilities Commission (PUC) focused on the Cost of Supply and the benefits of efficiency programs to customers and the utility system in an affordable manner. This experience, along with the Company's overall focus on customer bill affordability informs the approach to the 2025 planning process in several key ways, as will be detailed in the plan. The Company is also implementing a revised approach to rate and bill impacts, another PUC and Company focus, to better reflect specific utility system benefits and customer costs. Additional detail on these efforts can be found throughout the Plan narrative and, in particular, Section 6.4.2.

1.1 Executive Summary

Pursuant to Rhode Island General Statute § 39-1-27.7, the *Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006*¹, the Narragansett Electric Company d/b/a Rhode Island Energy (RI Energy or Company) hereby submits its 2025 Annual Energy Efficiency and Conservation Procurement Plan (Annual Plan or 2025 Plan). This is the second annual plan of three submitted within the sixth triennial plan, the 2024-2026 Three-Year Energy Efficiency and Conservation Procurement Plan² (2024-2026 Plan).

The Company's energy efficiency programs are a cost-effective method of contributing to mitigating climate change and contributing to state and federal mandates for greenhouse gas emission reductions. Efficiency programs reduce carbon dioxide and other greenhouse gas emissions, such as nitrous oxides, sulfur oxides and chlorofluorocarbons (from refrigerants). On April 14, 2021, Governor Dan McKee

¹Rhode Island General Law, [Comprehensive Energy Conservation, Efficiency, and Affordability Act of 2006](#), RIGL § 39-1-27.7.

² [2024-2026 Plan \(filed Oct. 2, 2023\)](#)

signed into law the 2021 Act on Climate³, legislation which set forth enforceable statewide, economy-wide greenhouse gas emission reduction mandates. The legislation requires Rhode Island to reduce greenhouse gas emissions by 45 percent below 1990 levels by 2030, 80 percent by 2040, and achieve net-zero emissions by 2050.

To develop the 2025 Annual Plan and its binding savings goals and budgets, the Company worked with the Energy Efficiency and Resource Management Council (EERMC), the Office of Energy Resources (OER), the Division of Public Utilities and Carriers (the Division), Energy Efficiency Technical Working Group (EE TWG) stakeholders, the Energy Efficiency Equity Working Group (EE EWG), and the Company's vendors. The EE EWG's report recommendations and ongoing work to increase outreach and participation equitably in the state influenced the design and implementation of the 2025 Plan.

The 2025 Plan is a \$117.0 million investment in helping Rhode Island customers save energy and money. This investment is expected to save 5,810,770 net lifetime MMBtu (one million British thermal units) and 588,487 net annual MMBtu across all fuels, while reducing annual carbon dioxide emissions by 61,707 annual short tons in 2025. By calculating the combined energy and non-energy benefits (e.g., other system, societal, environmental, etc.), the state's efficiency investment is expected to generate \$268.5 million in total net benefits.

The Company recognizes that highly skilled professionals are the key to engaging more customers, driving participation in programs, and increasing energy savings across the Company's energy efficiency programs. In 2025 the Company's workforce development efforts span a range of capacity building efforts, including working with Community Action Programs (CAPS), the organizations responsible for implementing income eligible weatherization programs, to support their staff and aid in the recruitment and training of additional energy auditors to enhance their ability to serve eligible customers. 2025 will also usher in a new statewide energy code, the 2024 International Energy Conservation Code (IECC)⁴, and the Company has already begun, and will continue into 2025, trainings for contractors, town officials, program implementers, and other relevant stakeholders on the implications of the new energy code on the design and installation of energy efficiency measures in both existing buildings and new construction projects. The Company expects that the Inflation Reduction Act⁵ (IRA) and other state and local programs to fund energy initiatives will increase the demand for energy efficiency. The Company, in order to meet this increased demand, will expand the current efficiency workforce development efforts and leverage the knowledge and training opportunities available through trade allies and other industry experts.

The Company, through the Equity Working Group, continues to develop and implement an equity-driven framework for its energy efficiency programs. In 2024, the Company will begin reporting to the EERMC

³ [Rhode Island General Law, 2021 Act on Climate, RIGL §42-6.2](#)

⁴ [IECC Legislation](#)

⁵ [Inflation Reduction Act](#)

on equity metrics suggested by the EWG and refine those metrics over the course of 2025 to better quantify the impact of its efforts. RI Energy will further align its programs with the Federal Justice⁶ Initiative to ensure underserved Rhode Island communities are able to access and benefit from both federal funding and the Company's energy efficiency programs. The Company will also continue efforts to leverage federal, state, and local funding to support and complement existing efficiency efforts. This additional funding could allow RI Energy to serve more customers across all sectors, address weatherization and other participation barriers, and help incentivize the decarbonization of building heating, cooling and hot water systems. Please see Section 2.6.3 for a further description of the Company's efforts to collaborate with other funding sources.

As outlined in RI PUC Order 25092⁷ within Docket 23-35-EE, any program with a projected cost exceeding the cost of supply, excluding delivered fuels in the intrastate calculation, must justify its approval despite surpassing the calculated avoided cost of supply. In the 2025 Annual Plan, the cost of six proposed programs exceed the Commission's defined cost of supply, necessitating justifications rooted in the Least Cost Procurement (LCP) Standards. In response, the Company has adjusted its approach in planning the 2025 programs, specifically by reducing funding for delivered fuels efficiency measures to try to minimize program costs exceeding the cost of supply. Throughout 2025 the Company will assess the impacts of these adjustments on program participation, contractor engagement, resource allocation, and customer satisfaction to determine if further changes are necessary. The Company views this as a multi-year process, and, as such, decisions on program scope should not solely rely on the 2025 plan but contemplate longer term impacts. There may be market and program impacts that cannot be assessed in time for the 2025 planning cycle but could offer valuable insights for subsequent plans. Within this context, the Company expended considerable effort to provide justifications, both quantitative and qualitative, regarding the continued support for programs where the Cost of Efficiency surpasses the Cost of Supply, as defined by the PUC. These justifications can be found in Section 6.6.3.

1.2 Plan Summary

1.2.1 Savings

The Electric Portfolio will save 595,734 lifetime megawatt-hours (MWh) over the lifetime of the installed energy efficiency measures, 82,921 net annual MWhs, and 15,750 net annual summer kilowatts (kW) and 16,120 net winter kW from passive energy efficiency. The Natural Gas Portfolio will save 2,941,697 lifetime MMBtu over the lifetime of installed natural gas measures and 274,817 annual MMBtu. For all fuels combined (electric, gas, oil, propane), the Annual Plan will save 5,810,770 net lifetime MMBtu and 588,487 net annual MMBtu. Energy savings are measured and verified by third-party evaluation firms.

⁶ <https://www.whitehouse.gov/environmentaljustice/justice40/>

⁷ [Order 25092](#) specifies that "the calculation includes the forecasted interstate costs," however, the Open Meeting minutes from December 19, 2023, and a review of the Open Meeting recording from that date indicates that the Commission stated, "forecasted intrastate costs."

1.2.2 Benefits

The 2025 Plan will create significant benefits for Rhode Island Energy's residential, commercial, industrial, and income eligible customers. In total, the Annual Plan is expected to create \$268.5 million in total benefits over the life of the installed electric and natural gas energy efficiency measures. Of these total benefits, \$191.8 million (\$166.6 million Rhode Island-only benefits⁸) come from electric efficiency and passive demand reductions, and \$76.7 million (\$69.3 million Rhode Island-only benefits) derive from natural gas efficiency.

Table 1 includes a high-level summary of the electric-funded and natural gas-funded portions of the Annual Plan. Each \$1 spent on the Electric Portfolio will create \$1.96 in benefits (1.70 in Rhode Island-only benefits) over the lifetime of the investment, and every \$1 spent on the Natural Gas Portfolio will create \$1.82 in benefits (\$1.64 in Rhode Island-only benefits) over the lifetime of the investments. A detailed summary of the benefits and costs included in the Rhode Island Test (RI Test) are included in Attachment 4.

1.2.3 Economic Impacts

The Company expects that investments made in energy efficiency under this Annual Plan will add \$201.5 million to Rhode Island's Gross State Product (GSP) and the equivalent of 2,092 job-years. The vast majority of jobs associated with the Annual Plan's energy efficiency investments are local because they are tied to the installation of equipment and materials. An analysis of RI Energy's 2023 Energy Efficiency portfolio found that 68 percent of vendors who deliver services on behalf of the Company's programs are either headquartered or have a presence in Rhode Island. Investments in energy efficiency contribute to Rhode Island's economy overall and benefit business owners and their employees who deliver these programs and services. As described in Attachment 4, the calculation of the RI Test benefits excludes any monetized value of economic impacts because of concerns over double counting of benefits with other categories.

1.2.4 Environmental Benefits

The electric, gas, and delivered fuel energy efficiency measures proposed in this Annual Plan will avoid over 34,938 short tons of carbon in 2030, which contributes toward the Act on Climate's greenhouse gas emission reduction requirement of 45 percent below 1990 levels by 2030, and towards the legislation's greenhouse gas emission requirement of net-zero by 2050. The Company believes that robust, ambitious energy efficiency programs must be a foundational element of achieving greenhouse gas emission reduction targets. The Company also supports the various efforts that holistically evaluate the least cost pathways to realizing economy wide emissions.

⁸ Rhode Island only benefits are all Rhode Island Test benefits without rest-of-pool DRIPE (electric energy and capacity, gas, and oil).

1.2.5 Budgets and Funding

This Plan includes an investment of \$81.9 million in the cost-effective Electric Portfolio in 2025. If approved, this will be funded by \$9.8 million in proceeds from the ISO New England (ISO-NE) Forward Capacity Market (FCM), revenues from the existing energy efficiency program charge of \$0.01139 per kWh, and accounting for a fully reconciling mechanism of -\$0.00222 per kWh pursuant to R.I. Gen. Laws § 39-1-27.7(c)(5) to fully fund the cost-effective Electric Portfolio for the 2025 program year for a total charge of \$0.00917 per kWh.

This Plan also includes an investment of \$35.0 million in the cost-effective Natural Gas Portfolio in 2025. If approved, this investment will be funded by revenues from the existing energy efficiency program charge of \$0.998 per dekatherm for residential customers and \$0.680 per dekatherm for non-residential customers, and accounting for a fully reconciling mechanism adjustment of \$0.119 per dekatherm for residential customers and -\$0.232 per dekatherm for non-residential customers. This is pursuant to R.I. Gen. Laws § 39-1-27.7(c)(5) to fully fund the cost-effective Natural Gas Portfolio for 2025, for a total of \$1.117 per dekatherm for residential customers and \$0.448 per dekatherm for non-residential customers.

The cost of procuring 595,734 net lifetime MWh electric energy efficiency savings through the Annual Plan is \$70.4 million less than if that electric load was met by purchasing additional electric supply. The cost of procuring said MWh savings is \$36.4 million less than the cost of supply if only Rhode Island intrastate electric benefits are counted and delivered fuels and participant costs are removed. The cost of procuring 2,941,697 MMBtu lifetime natural gas energy efficiency savings through the Plan is \$19.6 million less than if that natural gas load was met by purchasing additional natural gas supply. The cost of procuring said MMBtu savings is \$19.5 million less than the cost of supply if only Rhode Island intrastate natural gas benefits are counted, and participant costs are removed.

Table 1. 2025 Energy Efficiency Program Plan Summary

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Electric Programs by Sector	Implementation Budget (\$000) ⁽³⁾	Performance Incentive (\$000)	Customer Contribution (\$000)	Annual Savings (MWh)	Lifetime Savings (MWh)	\$/ Lifetime kWh ⁽⁴⁾	Summer Annual Demand Savings (kW) ⁽⁵⁾	Total Benefits (\$000) ^(6,8)	RI-only Benefits (\$000) ⁽⁶⁾	RI Test B/C Ratio ⁽⁶⁾	Participants ⁽⁷⁾
1	Non-Income Eligible Residential	\$25,579	\$522	\$5,354	33,036	175,090	\$0.18	4,748	\$65,873	\$59,148	2.09	329,358
2	Income Eligible Residential ⁽¹⁾	\$14,433	\$-	\$-	3,698	57,876	\$0.25	1,024	\$23,970	\$21,907	1.66	6,057
3	Commercial and Industrial	\$33,890	\$2,032	\$10,792	46,187	362,767	\$0.13	9,978	\$102,004	\$85,572	2.18	2,594
4	Regulatory ⁽²⁾	\$5,489										
5	Electric Subtotal	\$79,392	\$2,554	\$16,145	82,921	595,734	\$0.16	15,750	\$191,846	\$163,360	1.96	338,009
	Gas Programs by Sector	Implementation Budget (\$000) ⁽³⁾	Performance Incentive (\$000)	Customer Contribution (\$000)	Annual Savings (MMBtu)	Lifetime Savings (MMBtu)	\$/ Lifetime MMBtu ⁽⁴⁾	NA	Total Benefits (\$000) ⁽⁶⁾	RI-only Benefits (\$000) ⁽⁶⁾	RI Test B/C Ratio ⁽⁶⁾	Participants ⁽⁷⁾
6	Non-Income Eligible Residential	\$17,234	\$-	\$4,729	136,910	1,244,913	\$17.64		\$31,408	\$27,763	1.43	142,893
7	Income Eligible Residential ⁽¹⁾	\$8,077	\$-	\$-	19,086	323,382	\$24.98		\$13,838	\$12,788	1.71	3,636
8	Commercial and Industrial	\$6,949	\$604	\$2,440	118,822	1,373,402	\$7.28		\$31,414	\$28,786	3.14	775
9	Regulatory ⁽²⁾	\$2,186										
10	Gas Subtotal	\$34,445	\$604	\$7,169	274,817	2,941,697	\$14.35	NA	\$76,661	\$69,337	1.82	147,304
11	TOTAL Combined Plan	\$113,837	\$3,158	\$23,314	NA	NA	NA	NA	\$268,507	\$235,965	1.89	NA
	(1) In addition to Income Eligible Residential programs, Income Eligible customers can participate in all Non-Income Eligible Residential programs.											
	(2) Regulatory Includes contributions to the Office of Energy Resources, EERMC and the Rhode Island Infrastructure Bank.											
	(3) The Program Implementation Budgets come from Tables E-3 and G-3 of Attachment 5 and 6, respectively.											
	(4) Performance Incentive excluded from numerator, consistent with the Attachment 5 and 6.											
	(5) The Summer Annual Demand Savings (kW) measures passive demand savings.											
	(6) "Total Benefits" and the "RI Test B/C Ratio" continue to exclude economic benefits from the RI Test as in the 2023 Plan. "RI-only Benefits" excludes out-of-state DRIPE benefits.											
	(7) The unit measure for participation varies by program. See Attachment 5, Table E-7 and Attachment 6, G-7 for participation goals by program.											
	(8) Electric Programs are funded by the Electric Energy Efficiency Charge but also include Delivered Fuels energy savings.											

1.3 The Planning Process

This 2025 Plan benefited from the process undertaken in the 2023 calendar year that resulted in the 2024-2026 Plan and reflects a refinement of the planning that was undertaken for the first year of the 2024-2026 Plan, including incorporating the latest Evaluation, Measurement, and Verification (EM&V) and Avoided Cost studies (see Attachment 3 for the latest studies applied). The 2024-2026 Plan was informed by the areas of opportunity identified in the Rhode Island Energy Efficiency Market Potential Study Refresh (Market Potential Study Refresh) commissioned by the Energy Efficiency Resource Management Council (EERMC)⁹ and completed by Dunsky Energy Consulting in early 2023. This Annual Plan has also been guided by the LCP Standards adopted in RI PUC Docket 23-07-EE. The Standards include an extensive set of “principles of program design” referenced in Section 2.2.

Throughout the planning process, the Company has actively involved the Energy Efficiency Technical Working Group (TWG), Equity Working Group (EWG), and the Energy Efficiency Resource Management Council (EERMC) along with its consulting team to tap into their expertise and gather feedback. The Company appreciates the valuable critiques and innovative ideas that have emerged from this ongoing engagement. In particular, discussions on equity have played a crucial role in refining and strengthening the Company's equity initiatives, positioning equity as a central strategic goal of the 2025 Plan. This has led to the incorporation of numerous specific, measurable actions across the Company's energy efficiency programs to enhance equity outcomes.

1.4 How to Read This Plan

This 2025 Plan has been organized to align with the most recently revised LCP Standards. There are three sections:

- **Strategies and Approaches to Planning.** This section provides discussion of the Company's approach to implementing the principles of program design outlined in the LCP Standards and provides summary program descriptions, along with the major enhancements and innovations planned for 2025. This section also includes a discussion of program participation, EM&V, coordination with other energy programs, and demonstrations, pilots and assessments.
- **Consistency with Standards.** This section explains how the Annual Plan complies with the requirements for cost-effectiveness, reliability, prudence (including a detailed discussion of equity and rate and bill impacts), environmentally responsible, and comparison to alternative cost of supply requirements, as set forth in the LCP Standards.
- **Goals, Budget, and Funding Plan.** This section details these elements and discusses the performance incentive plan and performance metrics.

⁹ Now known as the Energy Efficiency Council (EEC)

The ten Attachments to this Annual Plan provide additional detail on specific Plan elements. **Attachment 1 Residential & IES Programs** and **Attachment 2 C&I Programs** provide detail on program eligibility criteria, offerings, implementation and delivery, customer feedback, 2025 changes, and proposed evaluations for each program. **Attachment 3 Evaluation, Measurement, and Verification Plan** reviews evaluation studies completed in 2023 and 2024, details studies planned for 2025, and provides a recap of historical studies. **Attachment 4 RI Benefit Cost Test** presents the framework for assessing cost-effectiveness of this Annual Plan. **Attachments 5 and 6** contain funding, budgets, goals, and cost-effectiveness tables for the Electric and Natural Gas energy efficiency programs, respectively. **Attachment 7** details, for each sector, **2025 Demonstrations, Pilots and Assessments**. **Attachment 8 Cross-Program Summary** documents how the programs described in this Annual Plan relate to other specific RI Energy programs. **Attachment 9 Definitions** provides definitions of energy efficiency terms used throughout the Annual Plan. **Attachment 10 Equity Working Group Report** provides a summary of actions taken through the EWG.

2. STRATEGIES AND APPROACHES TO PLANNING

2.1 Strategic Overview of Programs and Priorities

This Annual Plan is the second year of the 2024-2026 Plan. This 2025 Plan supports continued innovation and accelerates the energy efficiency of Rhode Island homes and businesses. This Annual Plan achieves savings by implementing the following key strategic priorities set out in the 2024-2026 Plan:

Five Key Priorities



Deliver optimized, tailored programs that serve all customers and **increase program reach**



Understand customer needs, planning cycles, and goals to optimize incorporation of the **next generation of efficiency measures**



Enhance financing options, simplify offerings, and raise customer awareness of complementary funding sources that can be leveraged to **enable customers to invest in efficiency**



Serve customers equitably by designing programs with a conscious effort to serve small business and low- and moderate-income; gender, racially and ethnically diverse; and non-native English-speaking customers



Increase workforce capacity to serve customers and implement energy efficiency

2.2 Principles of Program Design

This 2025 Plan has been guided by the LCP Standards as updated in RI PUC Docket 23-07-EE, which provides a set of principles of program design. The bullets below summarize the principles and, if appropriate, in what sections of this Annual Plan they will be addressed.

- **Integration with other programs and policies.**
 - Section 5: Coordination with Other Energy Policies and Programs provides details on the Annual Plan's connection to specific state policies. Energy Efficiency Program descriptions in Attachments 1 and 2 describe the dissemination of information on energy programs beyond those run directly by the Company.
- **Innovation.**
 - Innovative strategies are outlined in Attachment 7: Demonstrations, Pilots and Assessments.
- **Comprehensiveness.**
 - Examples of strategies to achieve deep savings that emphasize whole building and whole system solutions are found in the Residential and Income Eligible whole building delivery program and C&I market sector descriptions (Attachments 1 & 2).
- **Equity.**
 - Using an equity lens involves consideration of how to modify systemic and institutional structures that have made it easier for some customers to access the energy efficiency programs than others. Section 2.6.1 describe the Company's approach to equity in 2025.
- **Build on prior plans.**
 - The experience and lessons of prior planning and regulatory approval processes informs the current program design.
- **Build on prior programs.**
 - Programs are continuously evolving, building from one plan year to the next. Each program description in Attachments 1 and 2 has a section addressing program design changes for 2025.
- **Planned based on potential assessments.**
 - This Annual Plan is informed by the 2023 Market Potential Study Refresh, and the areas of opportunity identified within it, as well as the cost implications and approach to barrier mitigation necessary to achieve higher levels of potential savings.
- **Unlock capital and effectively use funding sources.**
 - This Annual Plan consistently looks beyond direct financial incentives and traditional financing strategies to design capital and program access strategies that respond to specific customer barriers, such as grants for overcoming pre-weatherization barriers, or third-party financing.
- **Integration of natural gas and electric energy efficiency programs.**
 - All programs are integrated across fuels where it is possible to optimize and benefit from synergies between the two energy systems.
- **Strategies to achieve targets.**
 - As noted above, the overarching strategies highlighted in the 2024-2026 Plan permeate this Annual Plan.

- **Investments on behalf of all customers.**
 - All customers contribute to energy efficiency program funding, and, in return, programs are designed so that all customers have the opportunity to participate. This element of equity is discussed further in section 2.6.1.
- **Efficacy.**
 - The Company has incorporated opportunities to balance the portfolio of energy savings measures and program approaches to drive higher cost efficiencies (i.e., the amount of energy savings per dollar invested) and minimize the impact on customer bills. Efficacy also incorporates workforce development, which is described further in section 2.6.2.
- **Parity among sectors.**
 - This Annual Plan examines the amount collected from the different sectors by the SBC, as compared to the program budgets by sectors, to ensure that sectors are generally receiving the benefits paid for. This is further described in section 6.4.3.
- **Cost effectiveness.**
 - Programs are cost effective as required and shown in Attachments 5 and 6. The application of cost effectiveness as a design principle at a program level involves a balancing of comprehensive, costly projects with long-term measures, with programming that requires less intensive customer support, such as upstream programming that moves the incentive from the end user to the point of sale and Strategic Energy Management Planning with very large customers.

Further details on the Company's application of the Standards are found in section 6. As with any plan, this 2025 Plan was developed using the best information available at the time. Should circumstances change as the year develops, the Company will act in its capacity as Program Administrator to adapt as needed and inform stakeholders of the need to update a proposed strategy or commitment or the need to revise them.

The Company has evaluated programs in the Residential, Income Eligible, and Commercial & Industrial sectors using cost of supply calculations and the RI Test. In addition, the Company considered the value of each program to the utility system through a mechanism that removes or discounts certain societal benefits and non-energy impacts, specifically interstate and delivered fuel benefits, as directed by the PUC. For each program with costs in excess of the cost of supply, the Company considered the role of that program in supporting portfolio goals and other LCP standard principles, including reliability, prudence, and environmental responsibility and provide justification for continuing to offer the program as appropriate. These justifications are rooted in an assessment of quantitative metrics and program design considerations.¹⁰

Additional detail on the Company's approach can be found in section 6.6.2.

¹⁰ The initial quantitative analysis of measures, completed in March 2024, has been shared with stakeholders and the Company welcomes feedback. The Company continues to evaluate measures and programs and will continue to refine this methodology throughout the 2025 planning process. Additional detail will be provided in subsequent drafts.

2.3 Residential & Income Eligible Programs

2.3.1 Overview of Residential and Income Eligible Energy Efficiency Programs

In 2025, the Company will continue all Residential and Income Eligible energy efficiency programs offered in 2024. All Residential and Income Eligible programs are funded by electric and natural gas customers. The Company offers the programs detailed below to provide comprehensive services to two regulatorily defined sectors: market rate and income eligible.

Residential Consumer Products

The Residential Consumer Products Program promotes the purchase of high efficiency household appliances carrying the ENERGY STAR® label including advanced power strips, dehumidifiers, pool pumps, room air cleaners, room air conditioners, most efficient refrigerators, freezers, clothes washers, and dryers. Consumers can participate by purchasing these products at retail stores or through the Company's online marketplace. This program trains retail sales staff about the ENERGY STAR® label and how to promote the certification's energy and environmental benefits to consumers. The most efficient appliances are incentivized at the retailer level to encourage sales of these ENERGY STAR® most efficient appliances. Additionally, the program offers refrigerator, freezer and dehumidifier recycling.

Home Energy Reports

The Home Energy Reports Program is a behavioral-based offering designed to make customers aware of their energy consumption through personalized print and email reports and a seamlessly integrated website. Each of the communication channels displays a customer's energy consumption patterns, sets an energy reduction goal for each customer, and contains a normative comparison to similarly sized and heated homes. The goal of the program is to inspire customers to take actions that reduce their energy consumption and increase their participation in other energy efficiency programs.

Residential High-Efficiency Heating, Cooling, and Hot Water (HVAC)

The Residential HVAC Program promotes the installation of high efficiency central air conditioners and eligible heat pumps for electric customers and new energy-efficient natural gas related equipment including boilers, furnaces, windows, water heating equipment, thermostats, and water-saving devices. The program offers incentives for high efficiency air source heat pumps to customers with electric resistance heating as well.

The program supports contractor training to increase accurate installation practices, testing of the high efficiency systems, tiered rebates for new high efficiency systems, and incentives for checking new and existing systems.

Residential New Construction

The Residential New Construction program offers financial incentives and no-cost education, training and technical support to builders and homeowners to promote the construction of high performing energy-efficient single family, multifamily and income eligible homes. The program helps residential new construction and major renovation projects meet high energy performance standards and provides education and training support to builders, designers, tradespeople, and code officials.

EnergyWise Single Family

The EnergyWise Program offers single-family customers (homes with 1-4 dwelling units) in-home energy assessments, weatherization services, and information regarding their energy usage and energy-saving opportunities. The program is designed as a direct-to-customer offering that educates residential customers on how they can make their home more energy efficient. Energy specialists address base load electric use, and heating, cooling and water heating loads in single-family residential buildings through immediate installations of advanced power strips and water-saving devices.

Once the assessment and energy saving installations are completed, participants receive energy efficiency recommendations and technical assistance, as well as financial incentives to upgrade to high efficiency heating, ventilation, and air conditioning (HVAC) equipment, water heating systems, insulation, and smart thermostats. Customers also receive an Energy Action Plan detailing the additional energy savings opportunities they have through participation in other energy efficiency programs. Qualified customers can receive zero percent financing to install these high efficiency upgrades through the Company's financing programs, including the HEAT Loan.

Market-Rate Multifamily

This program offers comprehensive energy services for market-rate multifamily customers (buildings with 5+ dwelling units), including energy assessments, incentives for heating and domestic hot water systems, cooling equipment, and weatherization. All types of multifamily properties are eligible. A primary point of contact is designated to manage and coordinate services offered through the Company's existing portfolio. This program is offered in conjunction with the Commercial and Industrial (C&I) Multifamily gas program where a site may have a commercial meter or office space but also has individual dwelling units. The delivery of the Market-Rate Multifamily Program's services should be virtually indistinguishable to the customer as the Company's single point of contact will handle all program overlap (between Residential and C&I programs) and offer a seamless customer experience.

Income Eligible Programs

The Company wants customers who meet the income eligibility requirements and may have a high energy burden and/or difficulty paying their electric or gas bills to participate in, and benefit from, the Company's energy efficiency programs. Therefore, the income eligible sector is designated as a unique sector and funding for this sector is subsidized by both non-income-eligible residential customers and commercial and industrial customers so a larger proportion of income eligible customers can be served.

The Income Eligible Services (IES) Program offers home energy assessments, weatherization services, appliance, and heating system replacements with no customer cost to qualified single-family customers. Customers who qualify for the A-60 rate or for the Low-Income Home Energy Assistance Program (LIHEAP) are eligible to receive all services and equipment upgrades at no cost. The IES Program's services are delivered by local Community Action Program (CAP) agencies who coordinate with outside contractors that perform heating system and appliance replacements and weatherization installations with oversight provided by a Lead Vendor.

The Income Eligible Multifamily Program offers comprehensive energy services for multifamily customers that also meet the criteria for "income eligible" as defined in Attachment 1 Residential and IES Programs, Section 4. Multifamily. These services include energy assessments, incentives for heating and domestic hot water systems, air source heat pumps, cooling equipment, water savings installations and thermostats. Typically, there are no costs to the customer for these services as most income eligible upgrades are covered at 100 percent.

2.3.2 Major Residential and Income Eligible Program Changes

Information about modifications and improvements for Residential and Income Eligible programs can be found in Attachment 1. Specifically, the X.4 subsection of each program provides an overview of all proposed enhancements and changes.

2.4 Commercial and Industrial (C&I) Programs

The C&I Programs offer incentives, rebates, technical assistance, and financing to customers that reduce energy consumption, cut greenhouse gas emissions, and/or meet corporate sustainability goals. To reach customers, the Company uses a market sector approach, whereby specific energy efficiency initiatives are developed to meet the needs of different market segments (e.g., the Grocery program, Chain Restaurants, and the Industrial Initiative). In addition to the market sector approach, the Company also provides Prescriptive and Custom offerings. The Prescriptive offerings are available for a wide variety of standardized energy-efficient products with "deemed" savings values, such as lighting equipment, air compressors, variable speed drives, and stream traps. While the Custom offerings are available for any energy conservation measure that is not covered under alternative pathways.

In planning the C&I programs, the Company evaluates customer needs, market dynamics, and State policy objectives to determine how program offerings can be enhanced or adjusted to drive market transformation across multiple end-uses. Another central component to the planning process is the development of strategies that advance more equitable services, particularly within the Small Business and Multifamily Programs.

Large C&I New Construction and Building Energy Code Support

The Large C&I New Construction Program offers financial incentives and technical assistance to customers, design professionals, developers, and vendors to encourage energy efficiency in new construction, major renovation, planned replacement of aging equipment, and replacement of failed

equipment projects. C&I customers with an annual electric consumption greater than 1.5 million kWh per year are eligible.

Through the program, design professionals are eligible to receive technical assistance to conduct energy modeling and analysis for new construction projects. Owner's design teams are offered incentives for their time and effort to meet program requirements. The program promotes and incentivizes the installation of high efficiency equipment in existing facilities during remodeling projects or for equipment failure and replacement. Since customers are more likely to install energy-efficient equipment at the time of construction or equipment replacement, the program offers incentives to ensure customers make the investment immediately rather than doing so at a greater cost later. The program also offers operations verification or quality assurance services to ensure that installed equipment and systems operate as intended.

The program supports the state's Zero Energy Building goals through engagement and in developing future offerings. The program promotes compliance with the building energy code to support the State's goals and objectives. Technical assistance is provided for advancing the development and adoption of minimum efficiency standards for appliances and equipment.

Large Commercial and Industrial Retrofit

All commercial, industrial, and institutional customers are eligible to participate in the Retrofit Program. The program incentivizes the replacement of existing equipment and systems with high efficiency alternatives when the customer might otherwise not plan on making efficiency investments. Incentivized measures include lighting, HVAC systems, motors, thermal envelope measures and custom measures in existing buildings. Technical assistance is offered to customers to help them identify energy-saving opportunities.

The program's incentives help C&I customers in defraying part of the material and labor costs associated with the installation of energy efficiency measures. In addition, the Company offers education and training, such as the BOC training, to support the adoption of energy-efficient equipment and practices.

Small Business Direct Install

This program is a retrofit offering that provides turn-key efficiency solutions to customers who use less than 1.5 million kWh per year. Through the program, a free on-site energy assessment is performed, and customers receive a customized report detailing recommended energy-efficient improvements.

From local pizzerias to small convenience stores, the Small Business Direct Install Program serves small businesses of all customer types, buildings and sizes. The program pays up to 70 percent of installation and equipment costs. Provided funds are available, customers can finance the remaining costs of the project for up to 60 months (typically 24) interest free on their electric bill using the Small Business Revolving Loan Fund.

Commercial and Industrial Multifamily

The C&I Multifamily Program provides comprehensive efficiency services for market rate multifamily customers who reside in residential buildings with 5+ dwelling units. These coordinated services include energy assessments and incentives for weatherization and the replacement of heating and domestic hot water equipment and systems. The program's services are offered for all types of multifamily properties.

To streamline the delivery of program services, the Company designates a primary point of contact for the multifamily property who will manage and coordinate the services offered. Refer to the Market-Rate Multifamily section for more detail.

2.4.1 Major Commercial and Industrial Program Changes

Anticipated changes to the C&I programs are provided in Attachment 2.

2.5 Multi-year Strategies

In the LCP Standards adopted by the PUC in Docket 23-07-EE, the PUC directs the Company to identify investment strategies for which implementation and budget requests (or revenue collection) are expected to span multiple years. In addition to the budgets and targets required for the rest of the portfolio, the PUC directs that the Company may separately provide budgets and goals for multi-year strategies. The requirement applies to both the Annual and Three-Year Energy Efficiency Plans. There is no such multi-year commitment envisioned for 2025.

2.6 Cross-Cutting Programs

2.6.1 Equity

Equity is a key priority for the 2025 Plan. The Company is committed to ensuring that all Rhode Islanders – regardless of race, income, gender, ability, homeownership status, or other aspects of social status – equally benefit from energy efficiency. The Company planned and developed its 2025 Energy Efficiency Portfolio through an active process to identify and address the barriers that residents, businesses, and communities face in participating in program offerings.

Since 2021, Rhode Island Energy and OER have co-hosted a series of Equity Working Group (EWG) meetings facilitated by The Green & Healthy Homes Initiative (GHHI). The EWG is comprised of community representatives from a diverse array of community-based organizations, small businesses, non-profit organizations, CAPs, resident advocacy groups and alliances, municipal and state entities, and diversity equity and inclusion (DEI) industry experts. The purpose of these meetings is to discuss how the Rhode Island energy efficiency programs can more equitably serve residents and businesses. As a result of these discussions, the EWG provides the Company with written recommendations to advance equity in the planning, design, and delivery of its energy efficiency programs. These recommendations include specific, actionable equity strategies for the Company's programs as well as a list of metrics and targets to track performance. The Company is engaged in an ongoing process with the EWG to adopt a prioritized list of equity focus areas, strategies, and actions for each energy efficiency plan. The full list of

recommendations, strategies, and metrics for 2025 are included in an annual report that is drafted by GHHI. GHHI Please see Attachment 10 for the 2024 Rhode Island Energy Efficiency Equity Working Group Report.

The Company weighs its program priorities, customer knowledge, and the EWG's recommendations to identify specific equity efforts within each energy efficiency plan. In 2025, the Company will focus on the following areas:

1. Community Outreach and Education

Dedicated community outreach and education is a cornerstone of the Company's energy efficiency equity strategy. In 2025, the Company will continue to strengthen and expand partnerships with non-profit organizations, quasi-government agencies, municipalities and government agencies, and other community-based organizations. The goal of these partnerships is to build trust within communities, educate customers on how they can benefit from energy efficiency, and boost participation in Rhode Island's energy efficiency programs. The Company plans to take the following actions in 2025:

- i. Engage its recently hired energy-efficiency consumer advocate to expand the network of community-based partners that work with the Company to conduct program outreach, marketing, and education. The energy efficiency advocate's primary role is to establish and nurture relationships with community partners to provide awareness of energy efficiency programs. Through collecting and analyzing data from these engagements, the consumer advocate also represents customers to help inform and influence the design of the Company's programs.
- ii. Increase awareness of the Small Business program by engaging with organizations that support and have relationships with Minority and Women-owned Business Enterprises (MWBEs).
- iii. Build out a partnership with a local healthcare network where the Company will train community health advocates (*navigantes de salud*) to refer patients to Rhode Island Energy's programs for a free energy audit of their homes. These community health advocates will specifically work with patients that have energy insecurity and shutoff concerns.
- iv. Collaborate with Health Equity Zones (HEZs) and participate in HEZ events across the state to educate attendees and residents on the health benefits of energy efficiency. Please see more details on HEZs further below in this section.
- v. Develop capabilities to track impact and effectiveness of targeted outreach strategies and events on program participation (e.g. audits).

2. Equitable Marketing Strategies

Rhode Island Energy is committed to meeting Rhode Islanders where they are on their customer journeys. That means developing marketing strategies to reach every customer, whether they are a

resident/business that is unaware of energy efficiency or a repeat participant in the Company's programs. A thoughtful approach to marketing to historically underserved communities and small businesses is core to this strategy. As such, the Company will pursue the following equitable marketing strategies in 2025:

- i. Continue to market to customers in English, Spanish, and Portuguese through e-mail and direct mail.
- ii. Continue energy efficiency education and marketing through Spanish language radio.
- iii. Market the Small Business program through organizations that have strong relationships with MWBEs.
- iv. Explore accessible marketing strategies, including leveraging multilingual wireless texts to customers containing referral links to Company programs and/or marketing materials.
- v. Continue other accessible, mass-market tactics such as radio, print newspaper and magazine, and social media.
- vi. Continue direct marketing to landlords in underserved communities through the Residential Equity Outreach Assessment. Please see Attachment 7 for further details.

3. Removing Participation Barriers

Beyond education, marketing, and community outreach, the Company is actively committed to breaking down the silos and barriers that Rhode Islanders may face when trying to access and benefit from energy efficiency. These barriers may include language accessibility, pre-weatherization challenges, split incentives, and other program participation factors. In 2025 Rhode Island Energy will focus on the following related actions:

- i. Continue to develop a strategic plan with multifamily property owners & managers around serving and reaching multifamily customers. The Company will do this through its Residential Equity Outreach Assessment, which is detailed in Attachment 7. The Company also plans to further engage and coordinate with housing authorities.
- ii. Continue to work with partners to strategically align, braid, and leverage healthy homes programs and new sources of external funding to address pre-weatherization barriers.
- iii. Conduct Main Street campaigns in communities that have lower historical participation in the Small Business Direct Install program. More information on Main Street campaigns can be found in section 4.4.1.2 of Attachment 2.
- iv. Continue language accessibility efforts such as program materials translation to Spanish and Portuguese, hiring multilingual field staff, and through multilingual marketing and outreach (please refer to details in Equitable Marketing Strategies section above).

4. Equitable Workforce Development

The Company's equity strategies also focus on driving the energy efficiency workforce to have the same diversity that we see across our Rhode Island communities. In response to EWG's recommendations, the PPL Supplier Diversity team is engaging in efforts to hold a workshop for Minority and Women-Owned Businesses (MWBEs) across Rhode Island to connect them with state and national resources to become certified MWBEs. The Company will continue its efforts to connect with and engage MWBEs in 2025 and is working to establish metrics to track equitable workforce development. Section 2.6.2 details several of the other strategies the Company is pursuing around workforce development, which include equity strategies.

5. Energy Efficiency Equity Metrics

Rhode Island Energy recognizes that it's important to measure how its equity efforts are impacting outcomes in its programs. Leveraging input from the EWG and stakeholders, the Company has been developing specific metrics that will be included in the quarterly and annual energy efficiency reports. As part of this effort, the Company is developing the ability to track program participation by Justice40 community. Justice40 communities are defined by the federal government as communities that have been marginalized by underinvestment and overburdened by pollution. This reporting alignment will allow the Company to better understand the impact of its equity strategies and continuously improve to better serve all Rhode Islanders. The Company will begin reporting out on these metrics in 2024 and intends to refine, enhance, and continue reporting throughout 2025 and beyond. Please see the following groupings and metrics below.

Single Family Programs Participation (EnergyWise, Income Eligible Services):

1. # of Home Energy Audits Completed
 - a. Broken down by Justice40 vs non-Justice40 communities¹¹
 - b. Broken down by renters vs non-renters
2. # of Weatherization Projects Completed
 - a. Broken down by Justice40 vs non-Justice40 communities
 - b. Broken down by renters vs non-renters

Multifamily Programs Participation (EnergyWise Multifamily, Income Eligible Services Multifamily):

3. # of Home Energy Audits Completed
 - a. Broken down by Justice40 vs non-Justice40 communities
4. # of Weatherization Projects Completed
 - a. Broken down by Justice40 vs non-Justice40 communities

Pre-Weatherization Barriers:

5. # of Audits with Pre-Weatherization Barriers Detected
 - a. Broken down by pre-weatherization barrier type for EnergyWise Single Family program
 - b. Broken down by Community Action Program service territory for Income Eligible Services Single Family program

Microbusiness & Small Business Participation:

6. # of Eligible Customers Participating in Small Business Direct Install
 - a. Broken down by Justice40 vs non-Justice40 communities
7. % of Commercial & Industrial Participation
 - a. Broken down by consumption category

The Company will work with the Equity Working Group throughout 2025 to review and discuss suggested changes to this list of metrics.

The Company will continue to host Equity Working Group meetings to ensure a continued focus on equity throughout the year and in support of future planning activities. The Company is committed to 6 EWG meetings in 2025.

The Company's energy efficiency equity work is also focused on ensuring qualified customers are moved to the discount rate. Rhode Island Energy partners with community organizations across the state that

¹¹ [Justice40](#) Communities are census tracts that are marginalized by underinvestment and overburdened by pollution as defined by the U.S. Federal Government. [The Climate and Economic Justice Screening Tool \(CEJST\)](#) is an interactive mapping tool that allows users to identify these communities.

not only educate customers about energy efficiency, but also assist with billing questions and payment plan opportunities. Not surprisingly, the immediate bill relief from the discount rate removes some financial pressure and concern from an energy burdened population. Direct face-to-face contact with customer advocates also builds customer trust. Once that trust is established, it is easier to move the attention of customers to energy efficiency.

Beginning in 2023, the Company began to engage with the Rhode Island Department of Health's Health Equity Zone (HEZ) Initiative through a connection facilitated by the Energy Efficiency Council. The HEZ Initiative supports place-based approaches to promote healthy communities and improve the socioeconomic and environmental conditions in neighborhoods across Rhode Island. There are 15 HEZ collaboratives across the state and each zone is overseen by a backbone agency, a local, community-based non-profit that provides the management and infrastructure for each HEZ. The Company has previously engaged many of these agencies through the Weatherization Program and the HEZ Initiative provides an additional opportunity to work with agencies that serve residents who have not historically participated in the Company's energy efficiency programs. In 2025, the Company will continue to participate in HEZ events and collaborate with backbone agencies to increase awareness of efficiency offerings.

2.6.2 Workforce Development

Clean energy and energy efficiency programs are drivers of job creation in Rhode Island. The Company's energy efficiency programs support a large clean energy workforce of local and regional vendors, contractors, distributors, and suppliers. It is important that the jobs and economic benefits created from energy efficiency jobs reach all Rhode Island communities, especially Environmental Justice Focus Areas.

The objective for 2025 will be to continue to grow the energy efficiency workforce to close the gaps identified by the Workforce Development Needs Assessment.¹² This effort will be focuses on several key initiatives.

Table 2 and Table 3 below shows the Company's continued workforce development activities.

¹² Rhode Island Energy Workforce Development Needs Assessment Study, BW Research, 2023

Table 2. Continued Workforce Development Activities

Sector	Workforce Development Activity	Description	Target Audience	Budget
Res	HVAC Check trainings	HVAC installation best practices training delivered as part of the HVAC Program	HVAC technicians	\$39,400
Res + IE	Zero Net Energy training	High performance building best practices training delivered as part of the Residential New Construction Program	Design professionals, builders and contractors	\$20,000
IE	Miscellaneous income-eligible training	Training on topics such as smart thermostats and air source heat pumps delivered as part of the IES Single-Family Program	Weatherization contractors, auditors	\$50,000
Res	RI Builder's Association and Residential Construction Workforce Partnership (RCWP) training	Weatherization focused training. Students recruited from community with anticipation of returning to their community and supporting local CAP agencies	Weatherization for both Income Eligible and Market-Rate applications	\$40,000
Res	Reimburse CPHC/B credentials	Reimburse local professionals for Certified Passive House Consultant/Builder (CPHC/B) credentials	Design professionals, builders and contractors	\$50,000
C&I	Zero Net Energy training	High performance building best practices training delivered as part of the C&I New Construction and Major Renovations Program	Design professionals, developers and contractors	\$20,000
C&I	BOC training	Building operations and maintenance (O&M) best practices training delivered as part of the C&I Retrofit Program	Facility managers, building maintenance staff	\$37,000
C&I	Controls Best Practices training (HVAC and Lighting Controls)	ASHRAE Guideline 36 training (Sequence of Operations)	Contractors, engineers	\$20,000

Sector	Workforce Development Activity	Description	Target Audience	Budget
C&I	Controls Best Practices training (HVAC and Lighting Controls)	Lighting Design Lab (lighting controls) training	Contractors, engineers, program technical and sales staff	\$30,000
All sectors	Codes & Standards – code compliance training	A suite of services which includes training sessions (classroom, webinar, and in-field), project-specific “hotline” support, and development and delivery of tools and resources to fill industry gaps	Code officials, design professionals, builders, developers and contractors	\$255,600

To further address the training needs that will be required for the adoption of the 2024 IECC building code, the Company has planned for the Additional Workforce Development activities in 2025 (carried over from 2024).

Table 3. Additional Workforce Development Activities

Sector	Workforce Development Activity	Description	Target Audience	Budget
Res	Train the Trainer	A “train the trainer” program will multiply the number of qualified instructors and allow for an increased training capacity	Code trainers	\$ 6,000
Res	Reimburse Program Approved Trainers	After completing the trainer course, qualified instructors will be compensated to deliver code update trainings	Code trainers	\$ 6,000
Res	Full Day Workshops	Full-day workshops allow for a deeper level of instruction for trainees looking for more detailed or specific code information such as design and plan review, HVAC implementation, etc.	Code officials, design professionals, builders, developers and contractors	\$ 8,000
Res	LMS System Trainings	LMS style trainings can be pre-recorded and linked to various state and industry websites. This will allow trainees with time or transportation	Code officials, design professionals	\$ 20,000

Sector	Workforce Development Activity	Description	Target Audience	Budget
		constraints to attend trainings on their own time		
Res	HERS Rater Training & Certification	Rhode Island will need to increase this workforce network dramatically to meet the needs of the industry once the new code takes full effect	HERS Raters	\$ 15,600

2.6.2.1 Building Capacity for CAPs

Support from CAPs is a critical factor in participation rates for income eligible customers. However, capability and capacity vary greatly among CAPs. The Company is working to recruit and train 8-10 more energy auditors to be up-to-speed for the 2025 program year. The Company is recruiting from the Rhode Island Builders Association (RIBA) as well as traditional job postings. This training leverages federal funding channeled through DHS and the Company's implementation vendor collaborates with DHS (the agency that oversees CAPs) to develop and implement the curriculum.

To mitigate potential staff shortages in the near term, Rhode Island Energy is working with DHS to modify energy auditor scheduling such that auditors may be scheduled outside of their home CAP region to meet demand (a circuit rider model). This scheduling change is anticipated to go into effect in 2025. In line with more inter-CAP interaction, Rhode Island Energy and DHS are also working to break down regional silos of energy audits created by the CAP workflow model by subcontracting the existing pipeline of income eligible customers waiting for an energy audit to the market rate assessment contractor. This change will result in less wait times and higher participation rates in our five equity communities. Further training will be made available by the Company and local partners, including offerings on smart thermostats, weatherization, and heat pumps.

Energy auditors and consultants play a key role in promoting energy efficiency in market rate and income eligible homes. Attracting new people to this field as a career path and providing support with training and certification is important to help grow this sector of the industry. The Company will also work with the CAP agencies in 2025 to understand any challenges with energy auditor retention and help identify best practices to maintain auditor capacity. In addition, the Company will support Residential Construction Workforce Partnership's (RCWP) pre-apprentice program. RCWP identifies candidates and provides training for people looking to enter the trades, including weatherization. RI Energy will provide training as part of the curriculum, as well as funding for a cohort.

The Company will continue to provide Building Performance Institute (BPI) training and certification. BPI training and certification is the foundation of knowledge and understanding of building science, which is essential for becoming an energy auditor.

2.6.2.2 Upskill Electricians and Energy Workers

Quality installations of energy efficiency building upgrades are becoming more difficult as systems become more complex. These complexities are especially present for electric heat pumps, building automation systems, and building controls. The Company will continue to upskill electricians and other professionals in 2025 through a large set of available trainings developed and offered in collaboration with CLEAResult, the Rhode Island Builders Association, and other local partners at little or no cost. Training topics include but are not limited to net-zero energy design and building for residential and commercial new construction and design of lighting controls, technical support and training for builders, developers, designers, and contractors in Residential New Construction, onsite trainings for builders and contractors, energy modeling support, trainings on how to achieve various energy certifications, tours of zero-energy new homes and renovations, and trainings for technical schools and other local educational institutions (Warwick Area Career Tech, New England Institute of Technology, Chariho Career and Tech Center, Davies Career and Technical High School, CCRI, Woonsocket Career & Technical Center, Providence Career & Technical Academy, RISD).

2.6.2.3 Recruit and Upskill HVAC Contractors

Consumer demand requires both an increase in the number of contractors that can deliver HVAC products and training to promote quality installations through addressing weatherization, right-sized equipment, correctly functioning systems, and connectivity with building controls. Training topics offered include, at minimum, a weekly Contractor Newsletter – Participating Contractor list; training on HVAC installation best practices (includes sizing, refrigerant charge and airflow testing), via virtual live webinars and in-person at various locations including distributor locations such as Supply New England, The Granite Group, F.W. Webb, Department of Labor & Training; trainings for HVAC students at MTTI and Providence Career Technical Academy; and best practices for controls.

The Company will continue to coordinate workforce development efforts with the appropriate state and local authorities to maximize and leverage the impact of initiatives across the state. For example, the Company will coordinate with OER on the forthcoming HVAC Heat Pump Apprentice Program and Clean Energy Internship Program, both of which leverage federal funding and will complement the Company's HVAC workforce development activities.

- Increase training on proper selling, sizing, design, and installation of heat pumps
- Engage local HVAC tech programs and provide training
- Support contractor efforts to teach customers how to properly use and maintain heat pump equipment

2.6.2.4 Train Business Facilities Staff

As systems and controls evolve, it is incumbent to provide relevant training for facility managers, building operators, and other staff to enable them to operate these systems to their full, energy efficient potential. The Company will continue to offer these trainings in 2025, including Building Operator Certification (BOC). BOC training gives attendees the skills they need to make their buildings more efficient, healthy, comfortable, and environmentally friendly. The BOC program is aligned with the

International Organization for Standardization (ISO) for organizations that certify personnel. The Company will offer 2 BOC Fundamentals of Energy Efficient Building Operations trainings in 2025. In addition, the Company will provide 12 technical webinars in coordination with BOC. The webinars offer one-hour technical presentations on topics related to energy efficient building operation practices.

2.6.2.5 Training for Codes and Standards

The Rhode Island General Assembly's legislation (H6101/S0855 Sub A) requires Rhode Island's adoption of the 2024 International Energy Conservation Code (2024 IECC) within three months of publication.¹³ The law requires adoption with no weakening amendments and a plan for 90 percent compliance within six months for residential and commercial new construction and renovations. The Company's Codes & Standards experts are collaborating directly with the Rhode Island Code Commissioner to hold mandatory training for building officials. The Company also coordinates closely with the Rhode Island Builders' Association (RIBA) to promote code awareness and training to its members and partners. The National Association of Home Builders, RIBA's national affiliate, is developing code training curriculum, and Rhode Island will be the first state to use this curriculum when it adopts the 2024 IECC.

The Company, CLEAResult, local partners (Rhode Island Builders Association (RIBA), Rhode Island Building Officials Association (RIBOA), American Institute of Architects (AIA), Rhode Island Association of Realtor (RIAR), Rhode Island Master Plumber and Mechanical Association (RIMPMA)), host organizations (lumberyards, Taco Comfort Solutions, Viessmann Manufacturing, Libraries, Cities/Town Halls, Supply Houses, RNC program participants), and schools (Tech Schools, New England Tech, YouthBuild) will conduct the following activities, at minimum, to train workforce on codes and standards. These activities include CEU accredited training for building inspectors, builders, developers, architects, engineers, contractors, students, building owners, and real estate agents.

There is a steep learning curve associated with the new code and Rhode Island Energy will increase training and technical support to help the industry understand and meet the new requirements.

- Increase program-approved trainers through "train the trainer"
 - Increase the number of code trainers by training a variety of industry peers such as architects, builders and building officials to provide training for others that is comprehensive and consistent
- Develop on demand online training
 - LMS style trainings can be pre-recorded and linked to various state and industry websites. This will allow trainees with time or transportation constraints to attend trainings on their own time
- Provide HERS rater training and certification
 - HERS Raters are uniquely qualified to provide technical support and verification of compliance with the energy code. The performance compliance pathway, which requires an energy rating, will become increasingly more popular and Rhode Island will need to increase

¹³ IECC 2024 was published on August 14, 2024, accessed at <https://codes.iccsafe.org/content/IECC2024P1>

this workforce network to meet the needs of the industry once the new code takes full effect.

- Full day workshops
 - Deep dives into Envelope, Mechanicals, Lighting, HVAC
- Site tours (Brown University - Engineering Research Center, Watson Institute, School of Engineering, Lindemann Performing Art Center, South Street Landing, URI, RI College)
- Mandatory training for building officials on the 2024 International Energy Conservation Code (and subsequent updates) in collaboration with the Rhode Island Office of the Building Code Commissioner.

Where possible and appropriate, the Company's training courses leverage federal funding to reduce costs for customers. The Company will collaborate with OER to administer funding from the IRA to assist states in adopting the current energy code (or a zero-energy code) and implementing a compliance plan, including through development of Home Energy Rating System (HERS) Raters.

Rhode Island Energy represents the energy sector on the Rhode Island Green Buildings Advisory Committee (GBAC). Through participation on the GBAC, the Company is able to identify additional workforce needs related to codes and standards, make recommendations for workforce development in support of the State's climate and clean energy mandates, raise awareness of the Company's planned trainings and workforce development activities, and raise awareness of relevant incentives through the Rhode Island Energy Efficiency Programs. The Company will also work with the Green Energy Workforce Advisory Committee to coordinate around training for codes and standards.

2.6.2.6 Build a Pipeline of Energy Workers

In 2025 the Company will continue to actively mentor and teach students in broad topics related to the energy sector and potential jobs as well as specific technical topics related to energy efficiency. The Company will maintain its engagement with local schools and universities, including Warwick Area Career Tech, New England Institute of Technology, Chariho Career and Tech Center, Community College of Rhode Island (CCRI), Woonsocket Career & Technical Center, Providence Career & Technical Academy, and RISD. The Company is supporting CCRI with its effort to establish an Industrial Assessment Center (IAC) backed by federal funding. This program will provide training for students through new classroom curricula and hands-on field experience providing energy assessments to small and medium sized manufacturers in Rhode Island. The Company will connect CCRI with enterprises that would be good candidates for energy assessments and provide funding to support energy assessment activity. IACs adhere to Justice40 guidelines, and CCRI has a diverse student body that will benefit from expanded opportunities in the field of building science.

The Company will highlight student energy efficiency projects for display and education at the Rhode Island Home Show and Energy Expo, in collaboration with RIBA and Rhode Island's Career Technical Education (CTE) programs. The model for having students and schools participate in building features and educating consumers along with industry partners has been adopted by the Rhode Island Department of Education as an approved work-based learning and career exploration curriculum to satisfy internship/career exploration requirements for graduation.

2.6.3 Financing and Funding Options

The Company currently offers several financing vehicles to customers including on-bill financing for business customers which is administered by the Company, HEAT Loan, and financing through the Efficient Buildings Fund, a program jointly administered by OER and Rhode Island Infrastructure Bank (RIIB). In 2025, the Company will continue to rely primarily on on-bill financing to support business customers funding of their share of energy efficiency project costs, investigate both how these offerings can be expanded to serve more residential customers and increase loan limits for residential comprehensive projects

Please see section 5.4 for a discussion of discussion of state and federal incentives.

Starting in 2024 and throughout 2025 the Company will work with BlocPower as part of the demonstration program (as further described in Attachment 7). BlocPower provides a financing vehicle for upgrading multifamily housing. This financing is designed to help building owners fund efficiency projects and can be accessed alongside program level incentives. Multifamily housing has been an especially difficult market due, in part, to the substantial costs associated with building efficiency upgrades and this demonstration with BlocPower is an attempt to help close the gap between overall project costs and what the programs can provide.

2.6.4 HVAC Equipment

The Company will continue to coordinate with OER to leverage additional funding opportunities for energy efficiency measures and projects funded through ARPA and IRA, such as the Clean Heat RI Program¹⁴. This program is administered by OER and received \$25 million in ARPA funds to provide financial incentives to residential and C&I customers for the purchase and installation of high efficiency electric heat pumps.

The Company will target electric heat resistance heat pump upgrades as outlined in the Company's Electric Resistance Heating to Air Source Heat Pumps: Implementation Plan for the Income Eligible Sector. The Company was directed by the Public Utilities Commission to develop the Heat Pump Plan to achieve 750 conversions annually by 2025 with 25 percent of those customers served classified as income eligible. In 2023, forty heat pump units were installed. The Company has completed 74 to date in 2024 with an existing pipeline of over one hundred installations. In 2025, the Company will continue efforts to upgrade income-eligible customers.

2.6.5 Community-Based Initiatives

The Community Solutions Initiative allows the Company to collaborate holistically with a municipality to develop and execute a three-year workplan to reduce energy use in advancement of the municipality's sustainability goals. Community Solutions is an evolution of our successful Strategic Energy Management

¹⁴ For more details on the Clean Heat RI Program, see the website [here](#).

Program (SEMP) Initiative. The Community Solutions model begins with a memorandum of understanding (MOU) that establishes a non-binding framework for working together, defines energy efficiency savings goals and incentives, and sets priorities for collaboratively engaging residents and businesses in energy efficiency programs. The municipality is linked with a technical assistant who prioritizes City-owned buildings, identifies opportunities and estimates costs and savings. In 2023, the Company signed our first MOU with a participating municipality and for 2025 will look to sign additional MOUs with additional cities and apply best practices from these partnerships to program delivery across municipalities regardless of size.

Best Practices

Regular communications are essential to engage in early discussions on potential projects and energy efficiency, as is moving away from transactional interactions to foster more collaborative relationships. Prioritization support aids cities in budget planning while sharing best practices from other municipalities on challenges like procurement processes. Having a dedicated technical assistance vendor offers valuable support for data analysis, scoping studies, and project analysis, providing expertise on facilities and opportunities. Leveraging municipal communication channels such as websites, newsletters, and social media expands outreach to a broader customer base. The Main Street Initiative takes a neighborhood approach to driving energy savings through its Main Street Initiative. Main Street campaigns will be planned in five communities in 2025, including outreach and engagement with community-based organizations. In 2024, the Company expanded outreach to local community groups and will continue in 2025 on this outreach. The Company anticipates that engagement with local community groups can increase participation in the Small Business Program throughout the year. For example, the 2024 Providence Main Street campaign resulted in more than 100 businesses signing up for an audit leads, reflecting the multiple channels of customer outreach conducted by the Company, RISE, and other stakeholders including OER, City of Providence, and local community groups. Similar to 2024, the Company and its vendor RISE will identify goals for each community in the first quarter of the year, before the launch of the first campaign in Spring 2025.

A new energy efficiency advocate will be fully engaged in 2025. This advocate will be embedded within community-based organizations to provide training to each organization's team about the intersection of energy with health and safety. The organizations can then support their communities in identifying ways in which energy efficiency can help and how to access opportunities.

The Company partners with OER to implement the State's Lead by Example Executive Order (EO 23-06).¹⁵ This partnership uses Rhode Island Energy Efficiency Programs to drive energy savings at state and municipal buildings in various communities across Rhode Island.

The Company partners with OER on the Public School Energy Equity Program to develop the full suite of programmatic, technical and financial resources available to communities. Together with OER, we have

¹⁵ <https://governor.ri.gov/executive-orders/executive-order-23-06>

developed processes to support schools during the entire project life cycle, including technical assistance to identify project scope, procurement process support, and post installation reviews.

Since the inception of the Efficient Buildings Fund (EBF), the Company has worked with the Rhode Island Infrastructure Bank (RIIB) and municipalities to facilitate project development and application. The Company's technical team conducts energy assessments and provides reports that meet the needs of both EBF and incentive programs to simplify application processes and help municipalities take advantage of multiple funding sources. Since inception, the EBF has supported 22 municipal projects, loaning out over \$69 million dollars to support a variety of energy efficiency projects. These will deliver \$109 million in savings over the lifetime of the installed measures.

All municipalities can participate in large commercial and industrial programs. An account manager dedicated to this sector supports these customers in identifying projects, securing funding, and working with implementation vendors to achieve savings.

2.6.6 Participation and Outreach

In 2025, the Company will continue to drive participation through two main pathways – targeted programs and broad-based programs.

Rhode Island Energy's website was overhauled in 2024, which improved navigability, readability, and accessibility. Customers have a single sign-on experience that allows them to seamlessly access information on all aspects of their energy use, including billing questions and energy efficiency. The website offers language translation through Google Translate to improve accessibility for all customers. The improved website will be available in early 2025.

Rhode Island Energy went live with a new flexible, user-friendly energy efficiency database and tracking system in 2024, which will facilitate data collection and reporting; provide participant and vendor self service capabilities to submit applications, confirm eligibility, and track status; and improve the customer and administrative experience. Using our new tracking system's reporting capabilities on the back end and our revamped website on the front end, we will host a public-facing data dashboard to summarize key program metrics updated monthly. This data dashboard will be developed with stakeholder input and launched in 2025, with continuous improvement planned through the 2025 program year.

The Company plans to hold twelve customer assistance expos annually, plus over a dozen pop-ups each month, located in communities throughout the state. These events focus on ways to help customers pay their bills. Energy efficiency is a key method to help customers lower their gas and electric bills, and Company staff help customers understand how to participate. These events serve as excellent opportunities to engage with customers, offering informative materials, raising awareness, and addressing the relevance of energy efficiency. Customer Advocates will attend many outreach events at local organizations in addition to the customer assistance expos.

The Company plans to pilot a social influencer effort in 2024 and based on those learnings will expand in 2025. Social media influencers can develop content covering topics like energy saving tips and the Home Energy Assessment experience. Through authentic content from personalities that customers already trust, Rhode Islanders can organically learn about making more energy efficient choices and finding ways to save money.

The Company coordinates State agencies to refer customers and share leads across Rhode Island Energy Efficiency Programs and other state and federal energy efficiency opportunities, such as CHRI. Cross-marketing occurs via strategically timed collateral, leave-behind information and marketing materials that cross-promote programs, and by processes to serve customers and buildings holistically across multiple program pathways. In 2025, the Company will introduce a follow-up marketing campaign triggering communications to customers after they participate, identifying the next best step in their energy efficiency journey. The Company holds routine meetings and has ad hoc channels of communication open with other program administrators, including OER and CommerceRI.

3. DEMONSTRATIONS, PILOTS, AND ASSESSMENTS

Commercial, industrial, and residential demonstrations, pilots and assessments are all vehicles that may be used to identify, test, analyze, and deliver new innovative solutions and services that are technically feasible, desirable by customers, and viable for inclusion in the portfolio. The Company will continue to systematically review opportunities to add to the portfolio through a consistent and transparent process. Please refer to Attachment 7 for additional details on evaluations for demonstrations, pilot, and assessments. Consistent with PUC Guidance, the Company uses the following definitions for demonstrations, pilots and assessments.

3.1 Demonstrations

A demonstration will test the feasibility of a new product or offering for inclusion in existing programs. It is generally expected that demonstrations will be less time and resource intensive than pilots, since generally there is greater certainty around a narrow, incremental idea added to a program rather than a totally new set of offerings. Savings associated with demonstration projects may contribute to shareholder incentives. Demonstrations may be evaluated with either an independent or a vendor evaluation.

3.2 Pilots

A small-scale, targeted program that is limited in scope, time, and spending and is designed to analyze the feasibility of a future program or rate design. Pilots are designed to test technologies and approaches to energy management not included in the core energy efficiency programs that could potentially become a new, standalone program. Given the scope of adding a new core program to the Company Energy Efficiency Portfolio, it is likely that pilots will require a long-term commitment and broader set of stakeholder input. Savings associated with pilots will not contribute to shareholder incentives. Pilots may be evaluated with either an independent or a vendor evaluation.

3.3 Assessments

An assessment will be deployed for solutions that address a particular gap or program need but have significant uncertainty around the effectiveness or potential of the solution to realize savings. Because of the uncertainty, assessments will not include field demonstrations or customer installations. Instead, assessments will focus on information gathering to equip Company staff to make a more informed decision of whether and how to proceed with the idea. It is possible that an assessment could recommend further demonstration of the idea or determine the solution should exit the review process. Savings associated with assessments may not contribute to shareholder incentives. Assessments may be evaluated with an independent evaluation, vendor evaluation, or internal review.

The Company will coordinate efforts with internal and external stakeholders, such as EM&V, Customer Energy Management, the OER, and the EERMC, at various points in the development process to ensure appropriately rigorous evaluation and attention is given to each demonstration, pilot and assessment. Updates will be provided to OER and the EERMC consultant team on a quarterly basis and the Company will solicit input during its collaborative annual planning process.

3.4 2025 Demonstrations, Pilots and Assessments

The Company will not pursue any new Demonstrations, Pilots or Assessments in 2025, but will continue two from 2024.

4. EVALUATION, MEASUREMENT AND VERIFICATION PLAN

EM&V provides independent verification of impacts to ensure that savings and benefits claimed by the Company through its energy efficiency programs are accurate and credible. EM&V also provides insight into market characteristics and guidance on program design to improve the delivery of cost-effective programs.

To verify the impacts of programs on energy savings, the Company hires independent third-party consulting firms to regularly conduct evaluation studies as part of its EM&V process. These evaluations incorporate industry standard methods such as engineering analysis, metering analysis, billing analysis, site visits, surveys, and market studies to realize the actual energy savings of a measure. The EERMC and OER provide direct oversight of each evaluation study conducted. Every year, the results of the studies are used to update the benefit-cost calculations during planning. Attachment 3: EM&V Plan lists the evaluations that have occurred since 2010 that are still being used and their influence on program planning. All completed evaluations are submitted electronically to the PUC; final reports of evaluations completed in prior years are available in the dockets for previous years, on the EERMC website, or upon request.

The areas proposed for study in 2025 will be chosen based on several factors: the relative amount of savings in that program or end use, the vintage of the most recent relevant evaluation study (or studies, if there are more than one for that market/measure category), the relative precision of the recent

evaluation study, recommendations from previously completed studies, and the available evaluation budget. This list may be added to as the year progresses, and different evaluation priorities are identified. In particular, the Company will consider the value of using evaluations from other jurisdictions as well as adding Rhode Island-specific impact or process evaluations, as appropriate, that will help inform the Company's efforts towards achieving the goals of Least Cost Procurement. Several EM&V areas of interest were highlighted in the three-year plan, and these will be incorporated into 2025 evaluation planning, if appropriate.

5. COORDINATION WITH OTHER ENERGY POLICIES AND PROGRAMS

This section will continue to describe the ways that the energy efficiency programs coordinate with, influence, and are influenced by other dockets before the RI PUC and by state and Company policies. At this time the Company anticipates several areas of continued focus and coordination will inform the plan.

5.1 System Reliability Procurement

There are two points of integration between energy efficiency and system reliability procurement. First, demand response is integrated into system reliability procurement, which prompts coordination between energy efficiency program staff and system planning team members. This coordination includes, but is not limited to, supporting market engagement efforts for non-wires and non-pipes solutions, conducting locational outreach for energy efficiency measures that may preemptively alleviate grid needs to some extent, and supporting internal evaluation of energy efficiency as a non-wires or non-pipes solution. The Company will coordinate internally through overlapping staffing assignments and anticipates support for coordination through external stakeholder engagement. Second, energy efficiency may be a potentially viable solution to system needs. The system reliability procurement process evaluates the ability of energy efficiency to resolve system needs either partially or fully in a manner that less than the cost of the best alternative utility reliability procurement solution. In this manner, energy efficiency coordinates with system reliability procurement to potentially mitigate specific system needs as they arise.

5.2 Advanced Metering Functionality and Grid Modernization

The increased availability of more near real-time customer energy usage data, when enabled by AMF deployment, will allow for enhancements to energy-efficiency program design and implementation. Currently, the Company plans to begin installing AMF meters in early 2025, with continual deployment expected to go through 2026. Therefore, this Annual Plan does not include activities that rely on territory-wide deployment of AMF. However, throughout 2025, the Company will identify activities which may help lay the groundwork for implementing program enhancements which AMF will enable in future years. The Company will explore the possibility of engaging customers who receive AMF meters in 2025 in pilot/demonstration/assessment activities, but this is dependent on the progress of the meter/backend network deployment, and the efficiency team will coordinate with the AMF team to determine what is possible. The Company will also explore the capabilities of current and potential

future vendors to develop and implement AMF-enabled program designs. The intent of any AMF-related activities undertaken in 2025 would be to increase participants', stakeholders', and the Company's comfort and familiarity with AMF-enabled capabilities (e.g., near-real-time energy monitoring, load disaggregation) and their potential to be utilized for targeted programs and pay-for-performance (P4P) programs. As these are foundational program enhancements enabled by AMF, laying the groundwork for these concepts in 2025 should help facilitate a smooth implementation of AMF-enabled enhancements once they are available.

5.3 2021 Act on Climate

Through the 2021 Act on Climate, the State of Rhode Island set mandatory, enforceable, statewide, economy-wide greenhouse gas emissions reduction targets of 45 percent below 1990 levels by 2030, 80 percent below 1990 levels by 2040, and net-zero emissions by 2050. Although the Act identifies the State Administration as the obligated entity that takes on responsibility of achieving these mandates and consequences for not achieving them, we recognize that we – the predominant electric and gas distribution utility that administers energy efficiency and renewable energy programs – have a critical role to play in supporting and driving decarbonization.

In alignment with the State's 2022 Update to the 2016 Greenhouse Gas Emissions Reduction Plan, we can consider Rhode Island Energy's role, specifically regarding energy efficiency, in how we meet our approaching 2030 mandate across electric, thermal, and transportation sectors. We know that one pathway to economy-wide decarbonization is through electrifying thermal end uses and transportation, while decarbonizing our electricity sources.

Rhode Island's 100% Renewable Energy Standard requires an increasing percentage of electricity come from renewable energy resources, until meeting 100% in 2033 and beyond. In 2025, there are both decarbonization benefits and affordability benefits from reducing energy use through energy efficiency. Through the end of the decade, the 100% Renewable Energy Standard will erode the decarbonization benefits from energy efficiency (because electricity will be increasingly decarbonized) but will likely increase the affordability benefits of reducing energy consumption (because the cost to decarbonize will be internalized into electricity prices). We also have to consider the interaction between customer-funded energy efficiency programs and price signals of electricity rates: increasing customer-sourced collections will increase electricity prices, which will deter electrification and therefore slow decarbonization. Therefore, our 2025 Annual Plan will start to focus on driving affordability benefits – lower electricity and gas bills – while coordinating the shift from using customer funding to non-customer funding to drive decarbonization benefits through layered incentives and rebates.

We must also recognize the value of energy efficiency in building community climate resilience. A family can shelter in place more safely and for longer in a well-weatherized home during a power outage that interrupts heating or cooling systems. Rhode Islanders who are prone to heat-related illness have lower health risks if they have a cooling system and can afford to run it during heat waves. We see our energy efficiency program as helping families, communities, and businesses become more resilient. Therefore,

our 2025 Annual Plan will double down on efforts to support communities – especially equity communities – in participating in Rhode Island Energy Efficiency Programs.

These strategies are fully aligned with the State’s priority measures in its most recent Priority Climate Action Plan¹⁶. These priority measures include a number of measures aimed to encourage thermal and transportation electrification, energy efficiency in buildings, and climate resilience. Rhode Island Energy will continue to be a productive partner in support of the State developing its Comprehensive Climate Action Plan (“2025 Strategy”) over the next year and half. We will push for increasing coordination between Rhode Island Energy Efficiency Programs and state and federal programs, so we maximize incentives for our customers and impacts from energy efficiency. We will lend our expertise on customer bill impacts to support a deliberate pacing strategy that puts downward pressure on energy bills. We will work with State partners and stakeholders on program delivery strategies to reach more Rhode Islanders and embody diversity, equity, inclusion, and belonging into all aspects of Rhode Island Energy Efficiency Programs.

Specifically, in building the 2025 Annual Plan, we will work with OER, the Energy Efficiency Council, regulators, and stakeholders to understand various lenses through which we compare costs of energy efficiency with costs of supply; develop a framework for prioritizing funding sources, layering funding streams, and fully addressing the purposes of Least-Cost Procurement; ensuring robust coordination on federal funding opportunities and opportunities to access and layer funding sources; and updating our greenhouse gas emissions accounting and valuation methodology to reflect the impacts of the 2021 Act on Climate and 100% Renewable Energy Standard on decarbonization.

5.4 Coordination with State and Federal Incentive Programs

The Company has numerous recent and active initiatives to explore non-ratepayer funding for its programs.

5.4.1 Inflation Reduction Act

The Company submitted an analysis of Residential measures eligible for the US Department of Energy (DOE) Inflation Reduction Act (IRA) to the PUC in March 2024. This analysis was shared with OER, the EERMC, and the TWG.

The Company has ongoing one-on-one dialog with OER with regards to its plans for distributing \$64 million in IRA funding. In addition, the Company provided formal comments¹⁷ in response to a Request for Information issued by OER soliciting feedback regarding the \$32 million IRA Home Electrification and Appliance Rebates (HEAR) program. OER’s final HEAR plan, which has been approved by the DOE,

¹⁶ www.climatechange.ri.gov

¹⁷ <https://energy.ri.gov/sites/g/files/xkgbur741/files/2024-04/HER-HEAR%20RFI%20Responses.pdf>

specifically focuses on measures that are not a part of the Company's programs. It anticipates beginning to distribute HEAR funds in late 2024.

In late July, OER posted its draft plan for its \$32 million IRA Home Efficiency Rebates (HER) program. The intent was to focus on delivered fuels fuel switching to heat pumps for low-income multi-family buildings. The Company attended a public meeting on July 31 where it raised the consideration for HER funds to be used for delivered fuels weatherization projects. The Company also presented at the EERMC and TWG during the 2025 planning process and raised this consideration in those venues as well. OER submitted its final HER proposal to DOE in August without any weatherization funding requested. The Company continues to coordinate with OER.

The Company had initially planned to provide a plan for IRA implementation by the end of June 2024. Given OER's timeline and its expressed intent to focus IRA incentives on measures not covered by the Company's programs, no formal implementation plan is necessary. The Company will continue to coordinate with OER to assure that our programs are offered to customers in a cohesive manner.

5.4.2 Other State and Federal Programs

In 2025, the Company will continue to coordinate with OER on the Clean Heat RI (CHRI) Program to facilitate the customer experience, ensure that all available incentives are communicated, and explore synergies in implementation. CHRI includes funding for fuel switching and will complement the Company's efforts to promote efficient heat pump adoption for residential, low-income and small commercial customers through existing weatherization programs.

The Company participated in the RI Department of Environmental Management's (DEM) proposal process for the US Environmental Protection Agency's (EPA) Climate Pollution Reduction Grant. Based on our input, DEM's proposal included \$3 million for pre-weatherization barriers and weatherization support. However, DEM's proposal was not selected by EPA for funding.

The Company will continue to collaborate with CommerceRI and Rhode Island Infrastructure Bank (RIIB) to integrate program incentives with state and federal funding. In 2024, CommerceRI introduced its RI Rebounds Energy Efficiency Program¹⁸ that provides up to \$10,000 for energy efficiency measures to small businesses throughout the state. The Company worked with CommerceRI to publicize the program and worked with participants through the energy audit and implementation stages. The RI Rebounds program was fully subscribed in 2024 but the Company will continue to collaborate with CommerceRI to design and implement programs in 2025, provided additional funding becomes available.

Rhode Island Infrastructure Bank received an additional \$5 million from a 2022 state bond issue to support a small business energy efficiency grant fund that launched in late 2024. The Company has been

¹⁸ <https://commerceri.com/ri-rebounds/energy-efficiency/>

working with RIIB to coordinate this grant funding with program dollars to leverage these outside dollars to encourage greater program participation.

5.4.3 Additional Funding Sources

In addition to the loan and grant programs mentioned above, the Company continuously researches other potential funding sources that could complement ratepayer funds. The Company has identified several different potential sources that include a mix of federal, state, and local programs that offer grants or loans to implement energy conservation measures. The programs have been categorized into three groups:

1. Potentially applicable to Company programs in the near term

- EPA Climate Pollution Reduction Grant
- Energy Efficiency and Conservation Block Grant
- IRA Community Change Grants
- IRA Home Energy Rebates
- Clean Heat RI
- RI Rebounds Energy Efficiency
- Rhode Island Infrastructure Bank Clean Energy Grants (small businesses)
- Providence Home Repair Program

2. Useful only for specific cases or has barriers to approval

- USDA Energy Efficiency and Conservation Loan Program
- IRA Assistance for the Adoption of the Latest and Zero Building Energy Codes
- Rhode Island Fund Strategic Initiative Grants
- DOE Title 17 Clean Energy Financing Program
- Rewiring America Power Forward Communities

3. Unlikely to be relevant, but has been reviewed

- DOE Solutions for Lasting, Viable, Energy Infrastructure Technologies
- DOE Advanced Research Project Agency- Energy

The Company continues to seek opportunities among those programs to support energy efficiency with funds from outside the systems benefit charge (SBC) collection. Many of these programs have limited funding and timelines so applications for funding will not always result in awards.

When evaluating other sources of funding, the Company has considered the transaction and administrative costs associated with alternative funding. The Company offers funding for energy efficiency via long-established mechanisms, familiar to many homeowners and service providers (energy auditors, contractors, Community Action Agencies, etc.). Any new source of funding, such as the IRA, will require additional application processes, contractor and consumer education, program specific eligibility criteria, income verification procedures, and data requirements. Though additional or alternative funding might be available for certain measures, securing funding from a different source necessitates that anyone seeking this funding participate in a separate process from the ones established by the Company to receive SBC funded incentives. It is also likely that the coordination with IRA funding would require additional costs for the administration of SBC funded programs.

5.5 New Codes and Standards

In January 2023, the Rhode Island House of Representatives passed legislation, H6101/S0855 Sub A¹⁹, requiring the state to adopt the 2024 International Energy Conservation Code (2024 IECC) within three months of publication. Publication took place on August 14th, 2024. The law requires adoption of the 2024 IECC with no weakening amendments as well as the creation of a plan for 90 percent compliance within six months for residential and commercial new construction and renovation projects.

The Company reviewed IECC 2024 upon its publication. The Company adjusted the savings estimates for some measures to reflect new code baselines or to eliminate measures that are now considered to be required equipment. For other code specifications, particularly those involving building performance, and which are not measure-specific, the Company has begun outreach to its vendors and implementation staff to discuss how to incorporate new performance provisions in project modeling for 2025. The Company also intends to update application material as necessary to reflect new baselines or eligibility requirements consistent with the new code.

Additionally, residential code changes will most likely shift the new construction and renovation industry away from prescriptive pathways toward a performance-based pathway for compliance (i.e., energy ratings) and as a result, more Home Energy Rating System (HERS) Raters will be needed. The Company increased trainings in 2024 to begin preparing the market for the new code, and this training will continue in 2025 to support code compliance. To support this increase, the Company and OER will leverage IRA funding that assists states in adopting the 2024 IECC and/or a zero-energy code, as well as implementing a code compliance plan. OER will be responsible for administering this funding and the Company will work closely with the agency to support code training efforts.

¹⁹ [H6101/S0855 Sub A](#)

Effective January 1, 2025, the State of Rhode Island has banned the sale or distribution of pin-base type compact fluorescent lamp or a linear fluorescent lamp. The Company has incorporated the impact of this legislation into the 2025 commercial and industrial energy efficiency programs. More information is provided in Attachment 2.

5.6 Future of Gas

The PUC Docket 22-01-NG Investigation into the Future of the Regulated Gas Distribution Business in Rhode Island is ongoing. It is expected the PUC will provide guidance by Q1 2025 on decarbonization strategies that are actionable in the near-term; affordable and practical for Rhode Island's households, businesses, and essential institutions; account for customer choice considerations; ensure reliable, safe, and cost-effective energy delivery; and support economic development and growth in Rhode Island. This guidance will help inform the 2025 annual planning process. The Company will incorporate, as appropriate, any outcomes from this docket that impact program design and delivery in a timely manner.

6. CONSISTENCY WITH STANDARDS

6.1 Least Cost Procurement Law and Standards

This Annual Plan is submitted in accordance with the Least Cost Procurement Law, R.I. Gen. Laws § 39-1-27.7, the basis for which is the *Comprehensive Energy Conservation, Efficiency, and Affordability Act of 2006*, R.I. Gen. Laws § 39-2-1.2, and the LCP Standards as approved and adopted in Docket No. 23-07-EE in July 2023. The Standards guide how energy efficiency services are delivered in a manner that is optimally cost-effective, reliable, prudent, and environmentally responsible. The Company has assessed each of these requirements in developing this Annual Plan. Details on the Company's approach to considering each of these elements are included in this section. In addition, further detail on the cost-effectiveness screening of the proposed investments is in Attachment 4: RI Benefit Cost Test, with detail on rate and bill impacts is presented in Section 6.4.2 below

Regarding the assessment of compliance with the Standards presented in the 2024 Annual Plan, the Company anticipates that the following new information may contribute to the assessment of compliance in the 2025 Plan.

- Commission guidance provided during the 2024 Annual Plan hearings has been incorporated into the analysis of the cost of energy efficiency relative to the Cost of Supply in Section 6.6.
- An updated avoided cost study, AESC 2024 was completed in February 2024. This will be used in the benefit-cost model for 2025 and will influence the finding of Cost Effectiveness.
- The company is proposing a revision to the rate and bill impact analysis, which are a factor in the standard of prudence, consistent with insights about bill impacts shared by the PUC during the 2024 Plan proceedings. Rate and Bill impacts are currently described in Section 6.4.2 and Tables E-11 and G-11.

6.2 Cost Effectiveness

6.2.1 Interpretation of Standard

The RI Test compares the present value of the total lifetime benefits derived from efficiency savings to the total costs of acquiring those savings (i.e., program and customers' costs). According to the Standards, "any program with a quantified benefit-cost ratio greater than 1.0 (i.e., where quantified benefits are greater than quantified costs), should be considered cost-effective. Consistent with the PUC's guidance issued in Docket No. 4600, qualitative benefits and costs may be considered in determining cost effectiveness. The portfolio must be cost effective, and programs must be cost effective."²⁰

6.2.2 Compliance with Standard

The Company has analyzed the cost effectiveness for the proposed 2025 Portfolio and programs using the RI Test as required by Docket 4600 and the LCP Standards. The Energy Efficiency Portfolio and programs proposed for 2025 satisfy these criteria for cost effectiveness.

As provided for in the Docket 4600 RI Test Framework, benefits include primary fuel energy savings (electricity and natural gas), the value of other resource (fuel and water) benefits, price effects, non-embedded greenhouse gas reduction benefits, the value of improved reliability, and non-energy impacts (NEIs). Costs include all projects costs, program planning and administration, sales, technical assistance and training, evaluation, and the performance incentive. To illustrate the detailed components of the RI Test as well as the sources of the values, the Company has provided Attachment 4: RI Benefit Cost Test. The RI Test as applied to the 2025 Plan utilizes the regional avoided cost study, referred to as AESC 2024, completed by Synapse Energy Economics in February 2024 (and updated in May 2024), that provided the monetization of most benefit categories. The monetization of benefits also incorporates the latest EM&V results that affect claimable savings in the programs. Per the LCP Standards, RI Test results also include the costs of carbon dioxide mitigation as they are imposed and are projected to be imposed by the Regional Greenhouse Gas Initiative, Rhode Island Renewable Energy Standard and Rhode Island Act on Climate. Attachment 4 provides additional detail on changes in the avoided costs.

Attachment 5, Table E-5 shows that the proposed portfolio of electric programs is expected to have a benefit-cost ratio of 1.96, counting all benefits regardless of the jurisdiction to which they accrue, which means that approximately \$1.96 in monetized lifetime benefits is expected to be created for each \$1 spent on the portfolio. Attachment 6, Table G-5 shows that the proposed portfolio of gas programs is expected to have a benefit/cost ratio of 1.82 in the presentation of BCR results, which means that \$1.82 in lifetime benefits is expected to be created for each \$1 spent on the portfolio. The tables in Attachments 5 and 6 also demonstrate cost-effectiveness at a program level.

²⁰ [LCP Standards](#), section 3.2N.

Attachment 5, Table E-5A shows that the proposed Electric Portfolio is expected to have a benefit-cost ratio of 1.70, counting all benefits and costs which accrue only to RI Energy, which means that approximately \$1.70 in monetized lifetime benefits is expected to be created for each \$1 spent on the portfolio. Attachment 6, Table G-5A shows that the proposed Natural Gas Portfolio is expected to have a benefit/cost ratio of 1.64 in the presentation of BCR results, which means that \$1.64 in lifetime benefits is expected to be created for each \$1 spent on the portfolio.

Cost-effectiveness results do not include economic impacts such as employment and gross state product impacts from energy efficiency investments. Economic impacts are shown separately from the benefit-cost analysis in Attachment 5, Table E-5B (Economic Benefits) and Attachment 6, Table E-6B (Economic Benefits). In addition, the RI Test and the Docket 4600 Framework guidance also indicate that categories of the Framework can be considered qualitatively in the assessment of cost effectiveness. When considering the significant economic activity generated directly by the programs, including supporting close to 749 FTEs associated with the programs and more than 626 companies involved,²¹ as well as non-quantified benefits such as resiliency, a reasonable assumption is that the macroeconomic benefits of the programs are positive and potentially significant and, were those benefits included in the RI Test screening as quantified benefits, the programs would achieve more favorable benefit-cost ratios.

6.3 Reliability

6.3.1 Interpretation of Standard

The Standards for reliability create an expectation that the Company will be able to deliver the programs described herein and that the savings realized from program delivery are accurately estimated and measured, which ensures that the energy savings described herein can meet reliability standards. In addition, as applicable, programs should be scalable and be tailored to meet specific system needs.

6.3.2 Compliance with Standard

The energy efficiency programs developed under this Annual Plan will continue the Company's extensive history of offering best-in-class offerings to customers. The Company continues to collaborate with a diverse set of stakeholders including the EERMC, OER, Division, and community and advocacy organizations to continually analyze the programs and identify opportunities for improvement.

In building this Annual Plan, the Company's Customer Energy Management team worked closely with industry experts, vendors, and program implementation professionals to assess the current state of existing programs, the potential for program scalability, the economic environment, and the ability to deliver reliable energy savings as a result.

Supporting the Company's efforts to deploy energy efficiency to Rhode Island customers is a robust and long-standing EM&V apparatus, and the resulting robust, verifiable savings ensure this Annual Plan's

²¹ [Rhode Island Energy "2023 Energy Efficiency Year-End Report"](#)

fulfillment of the requirements of the Reliability Standard. As noted in Section 5, the Company hires independent third-party consulting firms to regularly conduct evaluation studies as part of its EM&V process. A distinct group of personnel within RI Energy that includes analysts with specialized skills in engineering, statistics, and economics are tasked with the EM&V function and coordinate all elements of the EM&V process internally and externally. Evaluations incorporate industry standard methods to assess the actual energy and demand savings of measures incentivized by the programs.

All elements of the EM&V process are closely monitored by the EERMC, their consultants, and OER. The EM&V process is continual, and every year results from EM&V studies are used to update the savings in the benefit cost calculation of the measure, programs, and portfolios. In addition, process evaluations and market studies conducted in the EM&V process provide an independent perspective on the performance of the programs and provide insight into the state of the market and ways that the Company can address new opportunities with its programs.

In total, these EM&V processes provide a transparent, externally vetted approach to ensuring that claimed savings provide as accurate of a picture as possible of the impact of the Company's energy efficiency programs, accounting for spillover, free ridership, and other industry standard adjustment factors. Taken together, this approach complies with the Standard of Reliability.

The EM&V process also supports the Company's participation in the ISO-NE FCM. Passive demand savings achieved via electric energy efficiency and Combined Heat and Power projects, and verified by the EM&V process, continue to participate in the FCM as Passive On-Peak Demand Resources. As detailed further in section 8.2.3, the Company bids the passive demand savings attributed to energy efficiency measures and Combined Heat and Power facilities in the FCM and manages the associated capacity resources to maximize the resulting FCM revenue. The EM&V process provides the necessary verification of claimed savings in order to meet the high standards for participation in the FCM.

6.4 Prudence

6.4.1 Interpretation of Standard

The Company has considered, and continues to consider, several key components in the analysis of prudence. These components can be summarized as considerations about the proposed investments on the following:

- Support for the purposes of Least Cost Procurement.
- Synergy savings through alternatives that meet multiple needs.
- Management of risks to ratepayers and the distribution Company.
- Effective use of funding sources.
- Equitable in the allocation of costs, benefits, access to services, and participation.
- Rate and bill impacts.
- Continuity of implementation efforts.

6.4.2 Compliance with Standards

For the proposed investments detailed in this Annual Plan, the Company has assessed each of these elements and how they can be balanced to provide a comprehensive set of programs that will be achievable within known and anticipated constraints.

Purposes of Least Cost Procurement

This 2025 Plan secures cost-effective energy efficiency resources, as detailed in Section 6.2.2, to support the electric and gas system through the creation of customer benefits in various components enumerated in both the RI Test, comparison with the Cost of Supply, as well as the Performance Incentive Mechanism.

Synergy Savings

Program design seeks out synergies in customer participation, through a comprehensive view of savings opportunities wherever possible and tiered incentive offers. As an example of the way that the proposed investments in this Annual Plan address multiple needs, the Company has coordinated with the OER regarding engaging customers to weatherize at the same time they are converting to heat pumps.

Management of Risks

Energy efficiency investments are generally low risk investments. Savings have been well researched and documented through evaluation studies and the Company has confidence, based on those studies, that predicted savings will be realized. Continued research through new evaluation studies contributes to continuous program improvement and increasing levels of confidence. Furthermore, many programs include customer education, post-installation inspection, or commissioning to provide a foundation for assumptions about savings persistence. This further reduces risk to ratepayers. Additionally, when the savings are reliably estimated, it serves to increase confidence and reduce risk related to the energy efficiency resource in distribution planning. Finally, by reducing costs and reliance on fuel supply by reducing demand, energy efficiency can offer some protection and risk reduction associated with market and energy price volatility.

Effective Use of Funding

As described in Section 8.2, the Company has identified a number of funding sources to support the Annual Plan budget. Furthermore, several sources of financing are offered to customers to enable program budgets to go further to achieve 2024 Plan targets. Finally, effective use of funding is represented in the mix of measures and incentives planned in order to balance the Portfolio to achieve the Annual Plan's objectives.

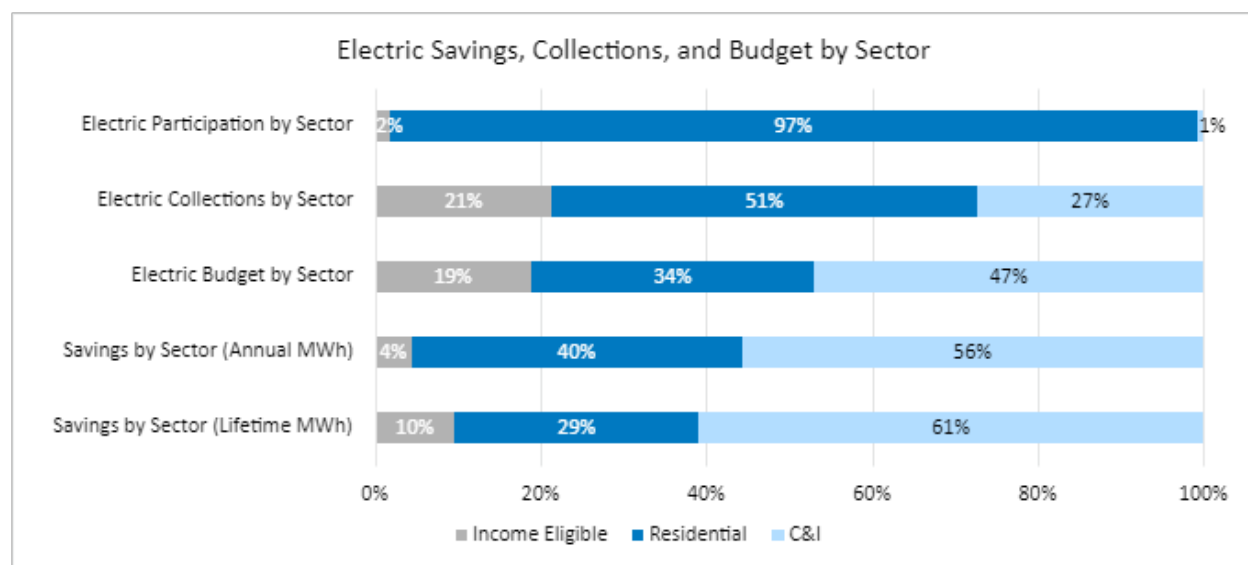
Equitable Allocation of Costs, Benefits, Services and Participation

As shown in Figure 1, there is approximate parity between the collections by a customer class and its resulting budget and savings in the Electric Portfolio. The only exception is the income-eligible sector

where part of the collections from the residential and C&I customer classes are used to help cover the income-eligible sector funding needs.

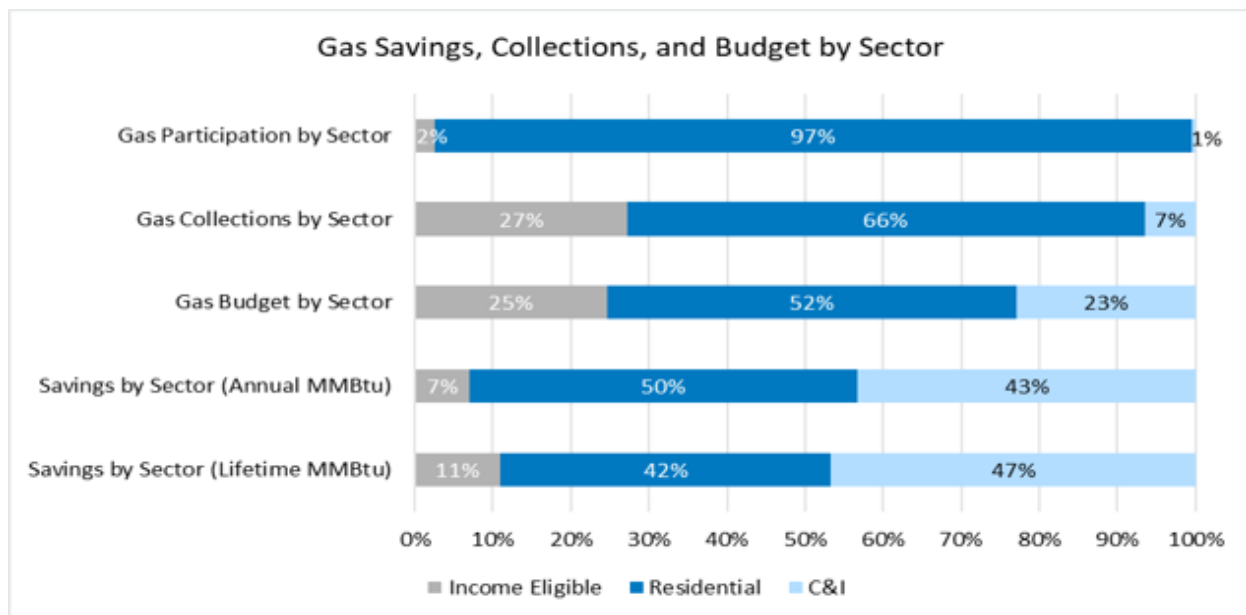
The Income-Eligible budget is higher compared to its savings due to several factors: incentives are 100 percent of the cost, the programs are more expensive because they are delivered in-home (compared to at retail sites or via rebates) which requires more labor and management, and the programs have fewer economies of scale (compared to C&I). \$22.5 million is budgeted for the delivery of the gas and electric income-eligible sector programs, 17.6 percent and 23.0 percent of the total funding for each fuel portfolio respectively in 2025. Taken together, these investments represent 19.2 percent of the overall Electric and Natural Gas portfolio budgets.

Figure 1. 2024 Graphical representation of Attachment 5 Table E-1, E-7, and total Electric Savings by Sector, Cumulative



For the Natural Gas Portfolio, there is also parity between the collections by customer class and the resulting savings. There is less equitable allocation between budgets and savings. This is due to several factors. First, the energy efficiency program charge varies by customer segment, which changes collections. Second, C&I projects tend to create more savings per dollar. This is due to larger economies of scale, larger projects, different delivery channels that require less labor or management and are more cost-effective, evaluation factors such as free-ridership and spillover, and different customer opportunities. Figure 2 shows the distribution of savings, collections, and budget in the gas portfolio.

Figure 2. 2024 Graphical representation of Attachment 6 Table G-1, G-7, and total Gas Savings by Sector, Cumulative



Given these considerations, as well as the continued interest in supporting income eligible programs, the allocation of costs and benefits is prudently equitable.

Bill Impacts

The Company has assessed bill impacts of the proposed Electric and Natural Gas Portfolios. The bill impact analysis has been updated for the 2025 Annual Plan. Previously, bill impacts were calculated by building a bottom-up calculation using yearly sales projections by customer segment as well as rate data and projections broken down by constituent charges and the EE Charge. This calculation was done for the EE case and for the base case to generate a value for the bill change each year, and then averaged over the lifetime of the portfolio. Now, utility system cost-of-supply benefits, excluding non-embedded carbon benefits (which do not impact customers through utility bills), rest-of-pool DRIPE benefits, and delivered fuels benefits are used as an approximation of bill savings. This approach was developed following the 2023 PUC hearings in which the Commission referred to the utility system cost of supply minus the cost of energy efficiency as an approximation of bill savings, because this difference represents whether customers are spending more or less to install energy efficiency measures.

Similar to the previous bill impact models, a year-by-year bill impact schedule is created in which approximated bill savings (cost-of-supply benefits) are spread over the lifetime of the energy efficiency portfolio. The energy efficiency rate is factored into year one of the schedule to account for the cost of delivering energy efficiency. Ultimately, the calculated bill savings and the net present value of long-term bills are compared to produce long-term bill impacts by sector. These steps are carried out for all customers and separately the subset of all customers that are energy efficiency participants. These long-term bill impacts have been included as Tables E-11 and G-11 in Attachments 5 and 6, respectively. This

modified bill impacts calculation is the close alignment with the benefit-cost model as well as the analysis of the comparison of the cost of energy efficiency to supply.²²

Additionally, a short-term rate impact has been calculated that examines evaluated the change in rates due to the change in the energy efficiency charge between 2024 and 2025. Specific details can be found at the sector-level on Tables E-11 and G-11 in Attachments 5 and 6, respectively.

Continuity of Implementation Efforts

While not explicitly spelled out in the Standards, the Company has historically considered the continuity of implementation efforts as an element of prudence. Continuity of implementation efforts means changing the scope or scale of programs in a way that is sensitive to maintaining and developing a skilled workforce and receptive to the prevailing economic conditions in the marketplace. The Company generally informs vendors of planned program changes to enable them to prepare their workforce as necessary (for example to ramp up or provide training). The Company also pays attention to this aspect of continuity because, absent continuity, skilled workers may move to other jobs or markets which could result in disruptions of energy efficiency services to customers.

6.5 Environmentally Responsible

The Company plans to work with Stakeholders throughout the 2025 planning process to update how avoided emissions are tracked within the programs.

6.5.1 Interpretation of the Standard

Environmental responsibility includes compliance of the Annual Plan with state policies, particularly emissions reduction. This Standard further requires proper valuation of environmental costs and benefits in this 2025 Plan. Modifications to the Standards in Docket 23-07-EE specify that demonstration of environmental responsibility include an assessment of compliance with state climate policies, and proper valuation of climate costs and benefits, in addition to environmental costs and benefits. The Company's interpretation of this addition is that, by distinguishing between environmental policies and values and climate policy and values, the Commission intends for the Company to assess the climate impacts of its programs, specifically as they relate to the Act on Climate targets.

6.5.2 Compliance with Standard

The energy efficiency programs and Portfolios described in this Annual Plan are environmentally responsible. As detailed in Section 5.3, the Act on Climate stipulates mandatory and time-bound emissions reductions for the state. This Annual Plan seeks to continue the progress that has been made in reducing emissions by providing customers across all sectors with ways to reduce their energy

²² With this new bill impacts methodology, home energy reports is no longer separated out. Additionally, the long-term rate impact analysis has been replaced with a short term rate analysis that examines the difference in the energy efficiency rates between years.

consumption. Energy efficiency therefore contributes directly to meeting the Act on Climate’s goals as well as other environmental policies and priorities in the state. In addition to direct emissions reductions benefits, energy efficiency investments reduce the potential environmental costs and footprint of avoided infrastructure investments and support the ongoing growth and development of a sustainable, green job ecosystem in Rhode Island.

Both the Electric and Natural Gas Portfolios will make a meaningful contribution to reduction in emissions by driving reductions in customer energy usage in both the short and long term. As shown in Attachments 5 and 6, the Electric and natural Gas Portfolios, considered together, will reduce annual emissions by 61,707 annual short tons of carbon in 2025.²³ The values of non-embedded avoided carbon are calculated using avoided cost values determined in AESC 2024: the non-embedded values of greenhouse gas benefits generated by the 2025 Plan over the lifetime of the measures is \$79.1 million. These monetized values of emissions are included as benefit streams in the RI Test benefit-cost assessment and in the assessment of cost of supply for the portfolio; however, they are excluded from the calculation of net benefits in the Performance Incentive Mechanism.

The Company’s 2025 Plan complies with, or otherwise advances, the 2021 Act on Climate, which sets statewide, economy-wide greenhouse gas emissions reduction mandates. The proposed investments reduce both electric and gas consumption. On the electric side, prior to meeting the 100 percent Renewable Energy Standard in 2033, any electric savings will directly support the State in meeting its 2030 greenhouse gas emissions reduction mandate through reduced peak demand, which reduces emissions associated with peaker plants, and by ramping up efficiency investments that will help enable the use of more renewables in the future. On the gas side, all gas savings will directly support the State in meeting its 2030 greenhouse gas emissions reduction mandate by reducing emissions associated with customer purchases of gas appliances. Indeed, the State’s *2022 Update to the 2016 Greenhouse Gas Emissions Reduction Plan* calls out both electric and gas energy efficiency as a priority short-term action to get Rhode Island on the path to meet the 2021 Act on Climate’s 2030 mandate. To properly value the environmental and climate costs and benefits associated with the proposed investment in energy efficiency, the Company used the marginal abatement cost to monetize both embedded and non-embedded value of greenhouse gas emissions reduction.

As noted in Section 2.5.2, this Annual Plan includes several activities designed to support the upskilling of the green workforce. In providing for these jobs and demonstrating the availability and attractiveness of local, green jobs to Rhode Island’s existing and emerging workforce, the Company’s energy efficiency programs help to ensure that the local workforce will exist to support the state’s environmental policy goals.

²³ While all energy savings seen in the Annual Plan are net, these emissions are calculated based on gross energy savings from EE measures because meeting the state’s targets does not depend on who is getting credit for the GHG reductions. The marginal carbon emission rates are from “Avoided Energy Supply Components in New England: 2024 Report” Appendix G.

Educating and engaging residential and business customers on the potential environmental impacts and benefits of the implementation of energy efficiency measures is a foundational element of the Company's energy efficiency go-to-market strategy and contributes to the environmental responsibility of the Annual Plan. Whether in the form of conveying potential environmental benefits of customer recommendations through Home Energy Reports, EnergyWise home energy assessments, or retail marketing initiatives, or by connecting Small Business audits or Large C&I customer sales efforts to business customer sustainability initiatives, the Company's energy efficiency program presence continue to help to support the prominence of environmental issues in customers' minds. In doing so, the Company's programs continue to link energy savings and efficiency to real and visible benefits for the communities in which their residents and small business reside.

A final component of the environmental responsibility of the Company's 2025 Plan is its ongoing efforts in electrification. The Company will be continuing its efforts to transition electric resistance heating customers to more efficient heat pumps, including income eligible and small business customers. The Company will also continue to cooperate and coordinate with the OER and others as the state implements its electrification and decarbonization strategies to reach customers that require fuel switching and are ineligible for RI Energy's programs.

6.6 Cost of Annual Plan Compared to the Cost of Energy Supply

6.6.1 Interpretation of the Standard

The LCP Standards define the cost of supply as "the cost of electric or natural gas energy supply that includes all rows in the Rhode Island Benefit Cost Framework that are costs caused by or associated with the procurement of energy supply, whether internal or external to the market cost of energy." The Standards further specify that "The distribution company shall compare the Cost of Supply and the Cost of Energy Efficiency or Conservation measures, programs, and portfolios using all costs enumerated in the RI Framework. The distribution company shall provide specific costs included in the Cost of Energy Supply and the Cost of Energy Efficiency or Conservation."

In accordance with the LCP Standards, the Company assessed the cost of incremental energy supply and the cost of energy efficiency using all applicable costs enumerated in the Rhode Island Benefit Cost Framework (Framework) approved by the PUC in Docket 4600-A and the Rhode Island Test as described in Attachment 4: RI Benefit Cost Test.

Like the Standard for cost effectiveness, in Docket 23-07-EE, changes to the Standards required an additional analysis of the Cost of Supply comparison that, "for categories with value or cost that is shared between RI Energy and other jurisdictions (both within the state and region), presents only those benefits and costs that will be allocated to Rhode Island Energy." In considering the nature of "other jurisdictions," the Company interpreted this to refer to states other than Rhode Island, and that "Rhode Island Energy" therefore refers, in this case, to Rhode Island. Using this interpretation, the Company identified certain categories of benefits that flow outside of Rhode Island. These include a portion of DRIPE values. To the best of the Company's knowledge, no costs accrue outside of the state.

Further guidance from the Commission in the 2024 Plan proceedings and Order 25092 directed that, for any program that has a forecasted cost that is greater than the Cost of Supply in the intrastate calculation which excludes the avoided cost of delivered fuels, the Annual Plan filing provide a justification for why the specific program should nevertheless be approved even though the program costs exceed the calculated avoided cost of supply. The justifications for specific programs that meet that condition are provided below in Section 6.6.3.

6.6.2 Compliance with Standard

For the analysis that includes benefits and costs that accrue only in the Rhode Island Energy jurisdiction, based on the Company's calculation, the total cost of energy efficiency for the electric portfolio is \$81.9 million and the total cost of electric supply to meet the same need would be \$118.4 million (excluding delivered fuels benefits). This is a total savings of \$36.4 million over the life of the installed measures from investing in energy efficiency instead of electric supply. The total cost of energy efficiency for the Natural Gas Portfolio is \$35.0 million and the total cost of natural gas supply to meet the same need would be \$54.5 million. This is a total savings of \$19.5 million over the life of the installed measures from investing in energy efficiency instead of natural gas supply. The methodology for calculating Cost of Supply is detailed below.

The RI Test is an appropriate mechanism to determine which costs to include in this assessment. The RI Test, as detailed in Attachment 4, captures the aspects of the Framework that pertain to energy efficiency programs. For the purposes of this assessment, the avoided cost values in the RI Test can also be applied as the costs of procuring additional energy supply. The RI Test also details what is considered a cost of energy efficiency. These are costs incurred by the utility to implement the Annual Plan and the expense borne by the customer for its share of the energy efficiency measure cost.

Consistent with Commission Order 25092 in Docket 23-35-EE, the Company proposes to use the costs described in Table 4 to compare the cost of energy efficiency to the cost of energy supply. The primary view includes the forecasted intrastate costs of supply without the cost of supply of delivered fuels.²⁴ Alternative views (total benefits, as well as forecasted intrastate costs of supply with and without the cost of supply of delivered fuels) are found in Attachments 5 and 6, Tables E-12 and G-12, as indicated. The categories listed in this table are all used in the RI Test, as defined in Attachment 4. As directed by the LCP Standards, the Company provides an explanation for why cost categories are either appropriate or not appropriate for inclusion in the assessment of the cost of energy supply compared to the cost of energy efficiency.

²⁴ PUC Order 25092 states "the calculation includes the forecasted interstate costs." The Company has elected to show here the more conservative value, including only the forecasted intrastate costs. The alternative views with interstate costs of supply may be found in Attachments 5 and 6, Tables E-12 and G-12, respectively.

Table 4. List of the Costs of Energy Efficiency and Costs of Energy Supply

Costs of Energy Efficiency		
Cost	Included (Y/N)	Explanation
Utility Costs	Yes	These costs are incurred to achieve implementation of energy efficiency measures and programs. Includes all costs in Tables E-2 and G-2.
Participant Costs	No	Customer contribution to the installation cost of the efficient measure. Customer costs are included in Tables E-5 and G-5.

Costs of Energy Supply		
Cost	Included (Y/N)	Explanation
Electric Energy Costs	Yes	Represents the cost of purchasing electric energy supply.
Electric Generation Costs	Yes	Represents cost of generation capacity in ISO-NE.
Electric Transmission Capacity Costs	Yes	Represents Pool and non-pool Transmission Facilities cost.
Electric Distribution Capacity Costs	Yes	Represents the cost of distribution capacity related to increased load.
Natural Gas Costs	Yes	Represents the cost of purchasing natural gas supply.
Fuel Costs	No (Yes, in alternative view in Attachments 5 and 6, Tables E-12 and G-12, columns A and B)	Where included, non-regulated delivered fuels are an energy supply cost to customers that utilize these fuels for heating. The fuel costs in this category are separate from those embedded in the cost of the electric market. While not a direct cost of electric energy supply, RI Energy includes incentives for delivered fuel energy efficiency measures in its Electric Portfolio. Therefore, to achieve symmetry with costs associated with electric energy efficiency, delivered fuels costs should be included in this comparison.
Water and Sewer Costs	No	While avoided water and sewer costs are a benefit of installing certain energy efficiency measures, they are not a direct cost of energy supply.

Costs of Energy Supply		
Cost	Included (Y/N)	Explanation
Non-Energy Impact Costs <ul style="list-style-type: none"> • Arrearages • Utility 	No, except arrearages and utility Yes	With the exception of the two NEIs listed below, while non-energy impacts are a benefit of installing certain energy efficiency measures, they are not a direct cost of energy supply. <ul style="list-style-type: none"> - Costs associated with arrearage carrying costs as a result of customers not being able to pay their energy bills. - Costs associated with utility carrying costs as a result of customers encountering issues with utility services or paying their bills.
Price Effects	Yes, intrastate only (Includes interstate DRIPE in alternative view in Attachments 5 and 6, Tables E-12 and G-12, column A)	Represents costs associated with the impact of demand reduction on ISO-NE energy and capacity markets.
Non-embedded Greenhouse Gas Reduction Costs	Yes, from electric and gas only (GHG Reduction Costs from oil and propane included in alternative view in Attachments 5 and 6, Tables E-12 and G-12, columns A and B)	Represents the social cost of carbon. The social cost of carbon is the cost associated with meeting the goals of the Act on Climate. Carbon emissions come from the production of energy and should be considered a cost of supplying that energy.
Economic Development	No	While economic development is a benefit of investment in energy efficiency measures it is not a direct cost of energy supply.
Reliability Costs	Yes	Increased energy demand can lead to declining reserve margins and decrease reliability so should be associated with the cost of energy.

Assessing the Cost of Supply, the Company applies the above costs of supply to the lifetime electricity, lifetime MMBtu of delivered fuels, demand, and natural gas savings for each measure included in the Annual Plan in present value terms. The costs of the 2025 Plan occur only in the 2025 program year and are therefore not discounted. The results of the Cost of Supply analysis are presented in Table 5, including the additional intrastate assessment required by the LCP Standards.

Table 5. Costs of Energy Efficiency and Costs of Energy Supply, Electric Program Level \$000

Sector / Program	(a) Intrastate w/o Delivered Fuels and w/o Participant Costs
1 Residential	\$3,601.1
2 Residential New Construction	\$167.9
3 Residential HVAC	\$9,589.3
4 EnergyWise Single Family	-\$8,805.4
5 EnergyWise Multifamily	-\$162.2
6 Home Energy Reports	\$1,399.0
7 Residential Consumer Products	\$1,412.5
8 Income Eligible Residential	-\$2,331.7
9 Income Eligible Single Family	-\$2,091.2
10 Income Eligible Multifamily	-\$240.5
11 Commercial & Industrial	\$35,150.7
12 Large C&I New Construction	\$20,241.9
13 Large C&I Retrofit	\$13,552.4
14 Small Business Direct Install	\$1,356.5
15 Grand Total	\$36,420.2

Table 6. Costs of Energy Efficiency and Costs of Energy Supply, Gas, Program Level \$000

Sector / Program	(a) Intrastate w/o Delivered Fuels and w/o Participant Costs
1 Residential	\$4,894.5
2 Residential New Construction	\$601.8
3 Residential HVAC	\$4,355.7
4 EnergyWise Single Family	-\$1,564.1
5 EnergyWise Multifamily	\$429.2
6 Home Energy Reports	\$1,071.9
7 Income Eligible Residential	-\$2,469.5
8 Income Eligible Single Family	-\$2,556.1
9 Income Eligible Multifamily	\$86.6
10 Commercial & Industrial	\$17,054.6
11 Large C&I New Construction	\$8,172.3
12 Large C&I Retrofit	\$7,341.1
13 Small Business Direct Install	\$1,418.5
14 C&I Multifamily	\$122.7
15 Grand Total	\$19,479.5

Based on this analysis, the 2025 Plan at both the electric and gas portfolio levels is compliant with the Standard of Lower Than the Cost of supply. Given the myriad assumptions that go into the estimation and compilation of costs and benefits, for planning purposes, this finding of compliance at the portfolio level is important.

As seen in the tables, the cost of some energy efficiency programs exceed the Cost of Supply. Per the PUC's guidance, the Company has developed rationale to support continued inclusion of the programs in the portfolio, where appropriate. The justification rationale includes consideration of the following main elements alongside the numeric results of the Cost of Supply Comparison:

- Compliance with and importance of meeting other elements of the Standards: cost-effectiveness, prudence, reliability, environmental responsibility, and equitable distribution of efficiency funding.
- Adherence to the Principles of Program Design as articulated in the Standards, including being part of a complementary bundled package of measures within a program, program continuity, and market potential for measures.
- Magnitude of or availability of non-SBC funding sources to support programs where the cost of efficiency exceeds the cost of supply and the lost opportunity that would exist if those programs were not funded by any source.

Further details related to justification are provided in the next section.

6.6.3. Justification for Support of Programs where the Cost of Efficiency is Greater than the Cost of Supply

As required by RI PUC Order 25092 in Docket 23-35-EE, "for any program that has a forecasted cost that is greater than the cost of supply in the intrastate calculation which excludes delivered fuels, the filing should provide a justification for why the specific program should nevertheless be approved, even though the program costs exceed the calculated avoided cost of supply." In the 2025 Annual Plan, there are six proposed programs where the cost of the program is greater than the cost of supply as defined by the Commission. This section provides the requested justification for those programs.

6.6.3.1 Overall Approach

Ratepayer benefits such as those created in the cost of supply analysis described above are a subset of the broader set of benefits included in the Rhode Island Test. The Company acknowledges the importance of creating ratepayer benefits in return for ratepayer contributions, particularly as a response to the magnitude of overall rates and current economic conditions.

In response to PUC guidance during the 2024 Plan hearings, the Company has made adjustments in planning its 2025 proposed programs. In the 2024 Compliance Filing, 11 programs had a cost of efficiency greater than the cost of supply, and the Company has reduced this to six. At the portfolio level, using the PUC's definition of the cost of supply, the net difference between the cost of efficiency

and cost of supply has changed from approximately \$36 million in the 2024 compliance filing to approximately \$53 million in the proposed 2025 Annual Plan.

The Company plans to monitor impacts on customer uptake, contractor engagement and resource allocation, and customer awareness and satisfaction as inputs to whether further adjustments are warranted and feasible. This type of exercise may also necessitate a multi-year process, so decisions about program scope should not be based solely on what is proposed in this 2025 plan. There may also be market research that cannot be conducted in time for the 2025 planning process and could provide valuable insights later in the process.

With this general background, the Company offers the following justifications regarding continued support for programs where the Cost of Efficiency is greater than the Cost of Supply, as defined by the PUC. These justifications indicate that the ongoing support for these programs at the levels proposed is consistent with other Least Cost Procurement Standards defined and adopted by the Commission in Docket 23-07-EE.

6.6.3.2 Rationale consistent with LCP Standards

Cost Effectiveness

It is important to note that all of the programs for which justification is being presented are cost-effective based on the Rhode Island Test and capture a wide range of benefits that accrue to ratepayers and citizens in other forms beyond electric and gas bills (societal benefits, non-energy impacts, bills for other types of energy²⁵). Customers value these benefits, which are excluded by the cost of supply view, even though they are not reflected in their electric and gas bill savings or may only be reflected in future bills. These are important non-utility benefits and are a rationale for continuing to support these programs.

Some of these benefits included in the cost-effectiveness analysis accrue to ratepayers out of state. This is the nature of the interconnected New England energy grid and markets for energy and carbon reduction. Similarly, RI ratepayers benefit from efficiency actions taken outside of the state's boundaries. Just as Rhode Island creates rest-of-pool DRIPE benefits and contributes to market price reductions in other states, other New England states contribute to market price reductions in Rhode Island; DRIPE benefits from other states flow into Rhode Island and reduce RIE customer bills. These benefits are not included in the benefit-cost analysis, nor are they included in the cost of supply analysis, but it is worth noting that the intrastate cost of supply analysis does not capture all of the bill impacts from energy efficiency that come from Rhode Island being part of a region that supports energy efficiency.

Furthermore, some of the individual measures that cause the cost of energy efficiency to be greater than the cost of supply have high RI Test benefit cost ratios because of these benefits. The more cost-effective a measure, the more it increases overall program cost-effectiveness and enables funding of other measures that are marginally cost-effective. For example, in the electric EnergyWise Single Family

²⁵ Examples are mitigating the impacts of climate change, sustainable employment trends, health improvement, resiliency, and property value appreciation.

program, the robust Rhode Island Test cost effectiveness of the delivered fuels weatherization measures enables the program as a whole to be cost-effective. Reducing or losing these benefits further will affect the ability to deliver some other measures and overall delivery of energy efficiency. A similar influence on overall program cost-effectiveness is observed in the Income Eligible Single Family program among selected measures with high costs of efficiency relative to the cost of supply.

Prudence

Maintaining support for these programs is justified on several points that are consistent with the Standard of Prudence:

- Continuity of program delivery infrastructure is important for achieving long term efficiency and greenhouse gas mitigation objectives. Program implementation vendors anticipate potential adverse economic and employment impacts of cutting programs quickly. Removing certain measures and categories entirely creates confusion in the marketplace and challenges to ramping those services back up, depending on changing conditions. The condition where the cost of efficiency is greater than the cost of supply may be temporary and may change due to changes in avoided costs or updates to savings assumptions from evaluation or research. It cannot be assumed that programs can ramp back up immediately if funding which has been removed is then restored. Therefore, any decision to make major changes in program composition should be made prudently and cautiously.
- Prudence also encompasses the riskiness of the investment to ratepayers. Weatherization is a low-risk investment because it is a passive measure and does not rely on operation of equipment, it has measured savings, and – as mentioned above – savings and benefits from weatherization installed in 2025 will exist for many years regardless of the customer’s current or future heating fuel type. If a customer electrifies in the future, the benefits of that upgrade would likely become electricity system benefits within the life of the measure and research has shown that residential customers who heat with delivered fuels are more likely to electrify their heat than the average customer.²⁶ This same rationale applies to measures such as hot water-saving measures or heating system thermostats in buildings that currently use delivered fuels for heating. The Company has a long track record of delivering these programs successfully.
- Given that state programs such as OER’s Clean Heat Rhode Island do not require weatherization for market-rate customers, it is valuable to weatherize as many customers as possible to prepare them for the adoption of heat pumps and other efficient HVAC options. Weatherization prior to heat pump installation allows for HVAC systems to be right-sized (i.e., sized smaller because heating loads are reduced by weatherization) thereby reducing future system costs to programs and customers downstream from the weatherization. This, in turn, allows heat pump program costs to be used more efficiently and reach more customers. By weatherizing delivered fuels homes that may switch to heat pumps in the future, the heat pumps can be right-sized (not oversized), which can help optimize future company grid investments and not spend more on grid upgrades than necessary. Finally, given this connection between weatherization and electrification of heat, funding for delivered fuel weatherization in 2025 will enable the Company to respond to what it anticipates may be increased demand for services from

²⁶ Research by E Source (2024 Residential Electrification Survey, available upon request) indicates a higher propensity to electrify heating among customers who have delivered fuel heat than the average customer.

customers who plan to install heat pumps. These programs contribute to the equitable delivery of services and benefits. Income eligible programs are among the programs with the largest negative difference between the cost of efficiency and the cost of supply. Historically, a larger portion of the benefits for residential and income-eligible programs (compared to C&I) have come from non-energy impacts and delivered fuels.²⁷ This is consistent with findings from evaluation studies which have identified value perceived and realized by customers in those segments. Eliminating those benefits and/or scaling back those programs would be inequitable due to a disproportional reduction in benefits overall for the residential and income-eligible programs that this would cause. Residential and income eligible customers will receive less value for their contributions. Even reallocation of programmatic funds to other measures in the sector would not resolve this inequity.

- Funding delivered fuels measures enables more effective program delivery, as it enables weatherization to be bundled with additional measures, minimizing the number of customer touchpoints and therefore, minimizing implementation costs and enhancing the customer experience.
- Bill Impacts: The long-term bill impacts in Tables E-11 and G-11 for the sectors in which these programs reside show reductions for all participants and that any bill increases for any customers are minimal (less than half a percentage point)

Environmental Responsibility

Programs that provide greenhouse gas reductions align with the Act on Climate, the Executive Climate Change Coordinating Council (EC4) Act on Climate 2022 Update²⁸, the RI State Energy Plan²⁹ and other state policies to reduce emissions. Emissions reductions are reduced if programs are scaled back; this affects the portfolio's contribution to meeting Act on Climate targets and there will be lost carbon reduction and savings opportunities with further cuts. Efficiency measures for delivered fuels provide some of the highest levels of GHG mitigation per dollar spent across all measures and programs.

It cannot be assumed that weatherization would occur without the incentive from the Company to delivered fuel heated customers. In Rhode Island's climate, more weatherization benefits occur during the heating season than the cooling season; relatively fewer electric cooling benefits from weatherization of homes that with delivered fuels by themselves are not enough to enable weatherization to be justified in the Cost of Supply view. Furthermore, given the OER's lack of current funding for non-income eligible home weatherization, a lost opportunity is created today if some level of delivered fuel weatherization is not supported, even as customers switch to electric heating from heat pumps. Ultimately, this will hamper state's abilities to meet GHG reduction targets. Finally, it is important to note that weatherization provides GHG reduction benefits regardless of what the heating (and cooling) fuel is, and savings are long-lasting so that if the customer ultimately converts to electric heat, the weatherization benefits would be counted in a Cost of Supply view.

²⁷ Based on 2024 Plan data, the C&I sector receives a much smaller percentage (~20%) of benefits from non-electric factors compared to close to 60% for residential and income eligible programs.

²⁸ [EC4 Act on Climate 2022 Update](#)

²⁹ [State Energy Plan](#)

Reliability

Continued support for these programs is justified because they meet the standard of reliability. Energy efficiency savings are reliable because they are based on independent third-party evaluations; the most recent evaluation of the EnergyWise Single Family program was completed in 2023 and showed an increase in savings over the prior study. Additionally, weatherization, hot water, and thermostat savings are reliable and will accrue to bill payers no matter what fuels are used for heating and cooling or whether the fuel is switched over the life of the measure. Finally, reliable and dependable savings contribute to overall customer satisfaction.

6.6.3.3 Other non-LCP Standard justifications

There are several other reasons, not within the framework of the Standards, that support justification of continuation of these programs at the levels proposed.

- The Company is actively pursuing non-ratepayer funding sources to supplement existing funding. These efforts are detailed in Section 5.4 of this plan. If other funding sources come to fruition, ratepayer funds will be adjusted as appropriate which could have a favorable impact on the cost of efficiency relative to the cost of supply. However, if federal and/or state funds do not get allocated to these programs in a timely manner for the 2025 planning process, additional time will be required to address the longer-term budget implications.
- Not being able to provide the level of energy efficiency or offer measures that have been offered in the past may have an adverse effect on customer satisfaction, as energy efficiency is an input to JD Power scores.
 - Research has indicated that high bills are the biggest driver of customer satisfaction.³⁰ While customer satisfaction is not explicitly tied to the presence or absence of energy efficiency programs, when weatherization or other bill-reducing programs are reduced, it could affect customer satisfaction.
 - Furthermore, when customers are not able to receive efficiency services that have been available in the past, it creates a sense of reduced value from energy efficiency, even while other measures are still being offered.
 - Customer satisfaction is a qualitative factor in how investors view a utility's performance/leadership. A negative change in customer satisfaction could impact the perception of the financial markets toward the Company.
 - Lower customer satisfaction may also lead to more customer complaints and calls to the call center and regulators/legislators, which may increase the Company's customer service costs and hinder regulatory or legislative processes.
- Customer engagement through energy audits advances understanding and interest in energy efficiency, and if weatherization is not an option, then there's less value to the audit, and less overall interest in energy efficiency measures and practices.

27 [J.D. Power's 2023 Electric Utility Residential Customer Satisfaction Study](#)

6.6.3.4 Program-specific Justifications

In addition to the justification rationale presented in the prior sections, there are additional program-specific reasoning:

Direct install programs

All programs requiring justification here are direct install programs, where the Company's implementation teams perform the measure installation in customers' homes and businesses, rather than the customer needing to arrange installation and maintain quality. Direct install programs are by their nature expensive, because of the site-specific conditions of audits and weatherization work. Because it is foundational to an efficient building, weatherization is the most important measure and costs more on a per Btu basis than other measures. Furthermore, direct install programs provide education and engagement to customers to adopt other energy-efficiency measures more than any other type of program. Finally, it is often the case that customers do not know what type of heating equipment they have in place. Direct install programs enable Company implementation staff to identify the heating equipment the customer has in their dwelling and tailor efficiency offerings accordingly.

EnergyWise Single Family

For this program, delivered fuels measures contribute the greatest amount of GHG reduction of any category in electric portfolio. From a workforce perspective, 40% of weatherization work done by the vendor is delivered fuels, 10% is electric, and 50% is gas. Therefore, eliminating audits / weatherization for delivered fuels customers would reduce the vendor's workforce and its weatherization contractor workforce by nearly half. Beyond that, it would cause confusion in the marketplace because neither customers nor vendors would know what they could expect from Rhode Island Energy's programs. The vendor and customers are accustomed to undertaking measures comprehensively, and stripping out offerings would change the business model and may cause exits from the contractor community.

Income Eligible Single Family and Multifamily

The Income Eligible Single-Family program creates a non-energy benefit from reduction in participant arrearages that is captured in the benefit-cost analysis. This benefit has positive downstream impacts on the Company's customer service and billing operations. These programs are also an integral part of the Company's broader portfolio of bill assistance for customers, including discount rates, payment plans, forgiveness programs, and the Home Energy Assistance Program. Reducing the size of this program will lose the opportunity to create these positive impacts.

Furthermore, it would be difficult to attain or come close to attaining an equitable distribution of resources with the elimination of a number of measures from these programs to reduce the cost of efficiency relative to the cost of supply. The Company suspects that there would be disproportionate impacts to elderly, underserved populations, housing authorities, and in health equity zones. The Company cannot ascertain that quantitatively at this point in time, but prudence suggests moving cautiously in this area to minimize impact on these vulnerable populations.

7. SAVINGS GOALS

7.1 Savings Goals

Savings goals in the 2025 Annual Plan are different from those included in the 2025 year of the 2024 – 2026 Three-Year Plan.

7.2 Annual Plan Compared to the Three-Year Plan

The table below shows the changes to program year 2025 planned values from the illustrative savings, benefits, and costs as shown for 2025 in the Company's 2024-26 Three-Year Plan (3YP).

Table 7. Comparison of 2025 Electric Portfolio in Three-Year Plan Compliance Filing and 2025 Annual Plan

Electric Portfolio	2025 in 3YP	2025 Annual Plan	% Change
Annual Savings (MWh)	94,561	82,921	-12%
Lifetime Savings (MWh)	761,575	595,734	-22%
Total Benefits (RI Test)	\$212,232	\$191,846	-10%
Total Spending	\$98,331	\$81,946	-17%
Benefit Cost Ratio (RI Test)	1.84	1.96	7%
Cost/Lifetime kWh	¢14.74	¢16.47	12%
EE Program Charge per kWh	\$0.0120	\$0.00917	-25%

Table 8. Comparison of 2025 Gas Portfolio in Three-Year Plan Compliance Filing and 2025 Annual Plan

Gas Portfolio	2025 in 3YP	2025 Annual Plan	% Change
Annual Savings (MMBtu)	312,846	274,817	-12%
Lifetime Savings (MMBtu)	3,300,644	2,941,697	-11%
Cost/Lifetime MMBtu	\$12.14	\$14.35	18%
Total Benefits (RI Test)	\$83,856	\$76,661	-9%
Total Spending	\$34,083	\$35,049	3%
Benefit Cost Ratio (RI Test)	2.05	1.82	-11%
C&I EE Program Charge per Dth	\$0.91	\$0.448	-51%
Residential EE Program Charge per Dth	\$0.90	\$1.117	24%

7.3 Comparison of 2025 Goals with Proposed EERMC Targets

This section compares the Company's proposed goals for 2025 with the targets proposed by the EERMC. These targets, which were informed by the EERMC-commissioned Market Potential Study Refresh, are still under PUC review. Table 9 shows a summary comparison by sector of lifetime savings.

Table 9. Comparison of Goals with EERMC Proposed Targets

	Planned Values		EERMC Proposed Targets	
	Lifetime MMBtu (Gas Programs)	Lifetime MWh (Electric Programs)	Lifetime MMBtu (Gas Programs)	Lifetime MWh (Electric Programs)
Residential				
2025	1,244,913	175,090	3,238,316	535,582
Income Eligible Residential				
2025	323,382	57,876	292,957	61,685
C&I				
2025	1,373,402	362,767	3,559,417	804,343
Total Savings				
2025	2,941,697	595,734	7,090,690	1,401,610

EERMC explicitly provides Lifetime MMBtu (gas programs) and Lifetime MWh (electric program) portfolio-level targets in the “Recommended Targets for Energy Efficiency and Active Peak Demand Reduction Savings for 2024-2026” report. To perform the sector-level comparison because measure names in the two sources do not match, assumptions were made to match MPS measures with BCR measures. This matching process could have potentially created some disparities in the comparison. With this caveat in mind, the primary differences between the MPS Refresh and BCR include:

- **Planned quantities of measures.** The difference in quantities between the MPS Refresh and the Company’s goals is largely driven by unconstrained budget increases allowed in the MPS Refresh. The significantly higher quantities in the MPS Refresh caused savings to be significantly higher for many measures.
- **Sourcing and values of impact factors.** The BCR sources were mostly Rhode Island specific studies, recent Massachusetts studies, or sourced from recent technical reference manuals (TRMs). These updated sources in several cases reflected decreased savings compared to the sources used in the MPS Refresh which included IL 2019 TRM, Iowa 2018 TRM, MA 2019 TRM, Dunskey Professional Judgement, and ENERGY STAR sources.
- **Lifetime savings.** Differences in lifetime savings were driven by differences in impact factors and planned quantities, as well as some measure life differences.
- **Measures included in the MPS Refresh.** There were a handful of measures providing savings in the MPS Refresh that the Company does not currently plan for in its energy efficiency programs. Some of these measures failed the RI Test when the Company had previously screened them and some of them are new.

This comparison provides valuable insight into the differences between the EERMC’s filed targets and the goals proposed by the Company over the coming three years and this analysis was shared with the EERMC. Further understanding of these differences could reduce the gap between the savings estimates. It could also provide insight into potential recommendations for updates in subsequent Plans. These updates may include updating impact factors by using assumption references from the MPS Refresh, updating planned quantities through considering different marketing approaches or adjusting

incentive levels, adding in new measures called out within the MPS Refresh, or using the analysis to support net savings goals.

7.4 Analysis of Total Rhode Island Energy Efficiency

The LCP Standards adopted in Docket 23-07-EE specify that the Annual Plan contain an update of the analysis provided in the Three-Year Plan³¹ "of total energy likely to be saved in Rhode Island through energy efficiency over the three years, and the portion of those total energy savings that are likely to be delivered by the distribution company's energy efficiency programs."

The Standards further specify that, in the Annual Plan update, the Company use "the best-available information and shall adjust its proposed annual savings goals and budgets to be consistent with the update. Where adjustments are made, the distribution company shall identify and justify the specific adjustments for purpose of this analysis."

The Company has updated the analysis using the most recent information available and consistent with other information used in creating the 2025 Annual Plan. Table 10 shows the results of the savings analysis and Table 11 shows the results of the emissions analysis.

³¹ This analysis was presented in Section 6 of the 2024-26 Three-Year Plan.

Table 10. State of Rhode Island, Energy Savings

			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
			Electricity (MWh)	% Savings	Natural Gas (MMBtu)	% Savings	Delivered Fuel (MMBtu)	% Savings	Total Energy Saved (MMBtu)	% Savings	Total Associated Budget 3YR (\$)	% Budget
1	Annual	RIE	262,059	68%	864,034	79%	132,696	81%	4,502,390	70%	\$ 403,096,400	85%
2		Non Programmatic Adoption	88,820	23%	169,152	15%	23,255	14%	1,380,578	22%	\$ -	0%
3		State	26,851	7%	64,454	6%	8,141	5%	431,796	7%	\$ 61,702,207	13%
4		Other RI Utilities (Pascoag + Block Island)	7,045	2%	-	0%	-	0%	94,242	1%	\$ 10,836,383	2%
5		Total	384,775	100%	1,097,640	100%	164,093	100%	6,409,006	100%	\$ 475,634,990	100%
6	Lifetime	RIE	1,979,300	67%	9,030,429	70%	2,609,237	81%	38,117,472	68%	NA	NA
7		Non Programmatic Adoption	769,847	26%	2,644,744	21%	454,994	14%	13,398,261	24%	NA	NA
8		State	159,823	5%	1,143,208	9%	145,913	5%	3,427,133	6%	NA	NA
9		Other RI Utilities (Pascoag + Block Island)	56,500	2%	-	0%	-	0%	755,822	1%	NA	NA
10		Total	2,965,471	100%	12,818,381	100%	3,210,145	100%	55,698,689	100%	NA	NA

		Electricity (MWh)	% Savings	Natural Gas (MMBtu)	% Savings	Delivered Fuel (MMBtu)	% Savings	Total Energy Saved (MMBtu)	% Savings	Total Associated Budget 3YR (\$)	% Budget
Annual	RIE	261,603	68%	864,034	79%	132,408	81%	4,496,000	70%	\$ 403,096,400	85%
	Non Programmatic Adoption	88,580	23%	169,152	15%	23,253	14%	1,377,366	22%	\$ -	0%
	State	26,851	7%	64,454	6%	8,141	5%	431,796	7%	\$ 61,702,207	13%
	Other RI Utilities (Pascoag + Block Island)	7,045	2%	-	0%	-	0%	94,242	1%	\$ 10,855,278	2%
	Total	384,079	100%	1,097,640	100%	163,802	100%	6,399,403	100%	\$ 475,653,886	100%
Lifetime	RIE	1,971,172	67%	9,030,429	70%	2,602,949	81%	38,002,452	68%	NA	NA
	Non Programmatic Adoption	765,555	26%	2,644,744	21%	454,959	14%	13,340,810	24%	NA	NA
	State	159,823	5%	1,143,208	9%	145,913	5%	3,427,133	6%	NA	NA
	Other RI Utilities (Pascoag + Block Island)	56,500	2%	-	0%	-	0%	755,822	1%	NA	NA
	Total	2,953,051	100%	12,818,381	100%	3,203,821	100%	55,526,218	100%	NA	NA

Table 11. State of Rhode Island, Emission Savings

			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
			Electricity (metric tons CO2)	% Savings	Natural Gas (metric tons CO2)	% Savings	Delivered Fuel (metric tons CO2)	% Savings	Total Avoided Emissions (metric tons CO2)	% Savings
1	Annual	RIE	185,800	68%	45,794	79%	7,033	81%	238,627	70%
2		Non Programmatic Adoption	62,973	23%	8,965	15%	1,233	14%	73,171	22%
3		State	19,038	7%	3,416	6%	431	5%	22,885	7%
4		Other RI Utilities (Pascoag + Block Island)	4,995	2%	-	0%	-	0%	4,995	1%
5		Total	272,805	100%	58,175	100%	8,697	100%	339,677	100%
6	Lifetime	RIE	1,403,324	67%	478,613	70%	138,290	81%	2,020,226	68%
7		Non Programmatic Adoption	545,822	26%	140,171	21%	24,115	14%	710,108	24%
8		State	113,315	5%	60,590	9%	7,733	5%	181,638	6%
9		Other RI Utilities (Pascoag + Block Island)	40,059	2%	-	0%	-	0%	40,059	1%
10		Total	2,102,519	100%	679,374	100%	170,138	100%	2,952,031	100%

			Electricity (metric tons CO2)	% Savings	Natural Gas (metric tons CO2)	% Savings	Delivered Fuel (metric tons CO2)	% Savings	Total Avoided Emissions (metric tons CO2)	% Savings
Annual	RIE		185,477	68%	45,794	79%	7,018	81%	238,288	70%
	Non Programmatic Adoption		62,803	23%	8,965	15%	1,232	14%	73,000	22%
	State		19,038	7%	3,416	6%	431	5%	22,885	7%
	Other RI Utilities (Pascoag + Block Island)		4,995	2%	-	0%	-	0%	4,995	1%
	Total		272,312	100%	58,175	100%	8,682	100%	339,168	100%
Lifetime	RIE		1,397,561	67%	478,613	70%	137,956	81%	2,014,130	68%
	Non Programmatic Adoption		542,779	26%	140,171	21%	24,113	14%	707,063	24%
	State		113,315	5%	60,590	9%	7,733	5%	181,638	6%
	Other RI Utilities (Pascoag + Block Island)		40,059	2%	-	0%	-	0%	40,059	1%
	Total		2,093,713	100%	679,374	100%	169,802	100%	2,942,890	100%

To perform the analysis, the Company made several assumptions:

- 2024 estimates are based on the 2024 Compliance Filing; 2025 values are from this Plan, and 2026 values are unchanged from the 2024-2026 Three –Year Plan.
- Non-Programmatic Adoption estimates used respective Plan free-ridership rates.
- Unless state savings were called out, the Company utilized savings per dollar values from its 2024-2026 benefit-cost model to convert dollar spend from state programs to state savings.

- Programs that were integrated in this analysis included the Clean Heat RI Program, HEAR, HER, RIIB, RGGI, and WAP funding.
- Other RI Energy estimates utilized savings data from the ACEEE 2022 State Scorecard³² and converted the savings to budget spend by calculating the ratio of MWh per dollar spent from the Company's 2024-2026 benefit-cost model and applying that ratio to energy saved from other utilities.

8. FUNDING PLAN AND BUDGETS

8.1 Budgets

The Company is proposing Energy Efficiency Portfolio budgets for 2025 that are nine percent lower than the final approved budgets for 2024. In developing the Annual Plan, the RI Energy team has focused on striking the best balance between delivering the necessary benefits of energy efficiency and maintaining a budget that reduces bill pressure on our customers given present economic realities affecting Rhode Island. The Company submits that its approach in developing the budget for 2025 is consistent with the prudence requirements of the Standards.

The Energy Efficiency Portfolio for 2025 will have an overall budget of approximately \$81.9 million for electric programs and \$35.0 million for natural gas programs. The budget is segmented into three sectors: residential income eligible, residential non-income eligible, and C&I. Proposed sector and program budgets are provided in Attachment 5: Electric EE Program Tables, Table E-2 and Attachment 6: Gas EE Program Tables, Table G-2. A comparison of these proposed budgets to the 2023 budget is provided in Attachment 5, Table E-4 and Attachment 6, Table G-4.

The Company will continue the practice of funding commitments established in the 2014 Plan, Docket 4451. Specifically, the Company will continue to make funding commitments for projects with a projected one-time incentive in excess of \$3.0 million. For all other projects, except those with incentives greater than \$3.0 million, there would be no commitment budget.

8.2 Funding Plan

The 2025 budgets for cost-effective electric and natural gas efficiency investments are dependent on a number of projections that inform the amount of funding, including projections of electricity and natural gas sales, year-end 2024 large C&I program commitments, capacity payments received from ISO-NE

³² Subramanian, S., W. Berg, E. Cooper, M. Waite, B. Jennings, A. Hoffmeister, and B. Fadie. 2022. 2022 State Energy Efficiency Scorecard. Washington, DC: ACEEE. www.aceee.org/research-report/u2206.

(electric only), and forecast year-end 2024 spending. The sources of funding and the amounts of the funding proposed for the 2025 Energy Efficiency Portfolio are shown in Table E-1 for Electric Programs and Table G-1 for Natural Gas Programs. Annual Plan funding sources are described in the sections that follow.

8.2.1 Energy Efficiency Charges.

The sources of funding for the 2025 electric programs are shown in Attachment 5: Electric EE Program Tables, Table E-1. To collect these funding sources for the 2025 cost-effective programs, the Company proposes: (1) one line on the customers' bill labeled "Energy Efficiency Charge" at \$0.00917 per kWh, as calculated in Attachment 5, Table E-1 (composed of the existing energy efficiency program charge of \$0.01139 per kWh plus a fully reconciling funding mechanism charge of -\$0.00222 per kWh in accordance with the requirements of R.I. Gen. Laws § 39-1-27.7); (2) projected Large C&I commitments from 2024, if any; (3) projected carryover of the year-end 2024 fund balance, as applicable, including interest at the rate in effect for customer deposits; (4) forecast revenue generated by ISO-NE's Forward Capacity Market (FCM); and (5) other potential outside revenue sources, including but not limited to those generated through RGGI permit auctions. Funding sources do not include revolving loan funds.

The sources of funding for the 2025 natural gas programs are shown in Attachment 6 Gas EE Program Tables, Table G-1. The Company proposes that the 2025 budget should be funded from the following sources: (1) one line on the customers' bill labeled "Energy Efficiency Charge" at \$1.117 per dekatherm for residential customers and \$0.448 per dekatherm for non-residential customers as calculated in Attachment 6, Table G-1 (composed of the existing energy efficiency program charge of \$0.998 per dekatherm plus a fully reconciling funding mechanism of \$0.119 per dekatherm for residential customers and the existing energy efficiency program charge of \$0.680 per dekatherm plus a fully reconciling funding mechanism of -\$0.232 per dekatherm for non-residential customers in accordance with the requirements of R.I. Gen. Laws § 39-1-27.7); (2) projected carryovers or under-recoveries of the year-end 2024 fund balance, including interest at the rate in effect for customer deposits. Funding sources do not include revolving loan funds.

The decrease in the proposed EE Program Charge per kWh is driven primarily by budget reductions in the electric portfolio for 2025. The decrease in the C&I Program Charge per Dth is driven an increase in the projected year-end C&I gas fund balance and C&I gas budget reductions. The increase in the Residential Program Charge per Dth is driven by a decrease in the projected year-end residential gas fund balance and an increased residential gas budget.

The Company forecasts electric energy deliveries and gas loads for a variety of filings. In the context of the Annual Plan, the forecasts primarily factor into the calculation of the per-unit energy charges that fund the Natural Gas and Electric Energy Efficiency Portfolios. At the time of the preparation of this Annual Plan, the Company used a gas forecast based on the June 2024 release and an electric forecast based on the September 2023 release. The sections below provide an overview of the forecasting processes for the electric energy delivery and gas load forecasts.

Electric Forecast Summary

The electric energy deliveries forecast is developed in several steps. The first step was to “reconstitute,” that is add-back or subtract, as applicable, the impacts of energy efficiency (EE), solar-photovoltaics (PV), electric vehicles (EV), and electric heat pumps (EH) to the historical monthly energy dataset. This set of programs and technologies is termed Distributed Energy Resources (DERs), and the reconstituted data is termed “gross” to reflect the fact that it represents data prior to the impacts of DERs.

The second step is to develop an econometric forecast of gross energy deliveries based on Rhode Island economic conditions, normal weather, and days billed, as appropriate, using this reconstituted dataset. The economic conditions are from Moody’s economy outlook. The weather variables considered are cooling degree days (CDDs) and heating degree days (HDDs). Normal weather is defined by the average CDDs and HDDs of the most recent ten years. Due to the unavailability and / or great uncertainties of long-term weather forecasts, it is a common practice to use normal weather for long-term load forecasting.

The third step is to create the “net” forecast by adjusting the gross forecast by the projections for future DERs. Impacts for EE and PV (reflecting decreased electric load on the system) are subtracted from the gross forecast, impacts of EV (reflecting increased electric load on the system) are added to the gross forecast, and impacts of EH are added to or subtracted from the gross forecast depending on the season to create the net forecasts. These forecasts were first developed in terms of revenue classes – residential, commercial, and industrial. They were then allocated to the various rate classes using the current revenue to rate class percentages from the Company’s billing system.

Natural Gas Forecast Summary

The Company’s gas load forecast is based on a comprehensive methodology for forecasting retail customer load requirements using a series of econometric models to determine the changes expected for Residential Heating, Residential Non-Heating, Commercial, and Industrial classes. To determine total gas demand and projected growth over the forecast period, the econometric models use historical economic, demographic, and energy price data, and weather data.

The product of the Company’s retail demand forecast is a forecast of meter counts, use-per-customer, and volume by month by internal rate code under normal weather conditions. The Company’s retail demand forecast is then converted to wholesale supply requirements at the Company’s city gates based on the daily relationship between city gate volumes (including supplementals) and weather. The product of the Company’s wholesale customer requirements forecast is a forecast of daily volumes under normal and design weather conditions.

8.2.2 Fund Balances

The Company estimates that the electric projected fund balance at year-end 2024 will be \$5.5 million, as shown in Line 3, Attachment 5, Table E-1; the gas fund balance at year-end 2024 is estimated to be \$5.4 million, as shown in Line 2 Attachment 6, Table G-1. The Company has included 2024 year-end fund balance forecasts (electric and gas) on line 3 of the E-1 and on line 2 of the G-1 tables in Attachment 5

and Attachment 6, respectively. The fund balance forecasts include estimated implementation expenses and estimated earned-performance incentives.

Adjustments for 2023 Year-End Fund Balance

The 2024 year-end fund balance will be a function of actual implementation expenses and Company earned performance incentive through year-end 2024. Consistent with recent practice, by November 15, 2024, the Company will provide updated year-end fund balance forecasts, reflecting updated sales, collection, and program expenditure forecasts through year-end and revised Tables E-1 and G-1 to provide the PUC with time to review the Company's proposed charges in advance of the Annual Plan hearing. This would allow the charges, if approved, to have an effective date of January 1, 2025. This will allow the Company to begin collecting the most accurate charge possible at the start of the program year and avoid any market confusion surrounding the status and implementation of the 2025 energy efficiency programs. If the actual year-end 2024 fund balance as filed in the Year-End Report is higher or lower than that amount projected in the November 115, 2024, revised Tables E-1 and G-1, any deviation will be fully reconciled in the next program year in accordance with the requirements of R.I. Gen. Laws § 39-1-27.7.

The fund balance does not currently include credits from shareholder funds, with interest, to the fund balance based on the Company's involvement in Docket 22-05-EE. All credits identified thus far in that process were accounted for in the 2024 Annual Plan.

8.2.3 ISO-NE Capacity Market Revenue

Consistent with the LCP Standards, Annual Plan, and PUC decisions regarding annual plans since 2008, the kW-demand savings achieved via the electric energy efficiency and Combined Heat and Power programs continue to participate in the FCM as Passive On-Peak Demand Resources. The Company will manage and direct the revenues by bidding the demand savings attributed to energy efficiency measures and Combined Heat and Power facilities in the FCM and managing the associated capacity resources to maximize the resulting FCM revenue. The revenues from measures installed through this Annual Plan, as well as all previous plans, will continue to be reinvested in energy savings for the life of the measure.

The Company is to recover all prudently incurred FCM expenses from ISO-NE capacity-payment revenue generated by the demand savings from efficiency programs represented by the Company. The Company expects that capacity payments received from the ISO-NE will exceed its administrative and EM&V compliance costs of participation in the FCM and will result in additional funds being made available to fund efficiency programs for customers. If these participation costs exceed the capacity payments, the Company may recover its prudently incurred costs from the energy efficiency program fund. Only prudently incurred expenses are deducted from ISO-NE capacity payments or the energy efficiency program fund.

In addition, as part of the FCM, all qualified auction participants are required to post Financial Assurance to provide security that the promised resource will deliver the promised MW at the promised time. If, as

a result of circumstances beyond the Company's control³³, the Company is unable to provide all or a portion of the MW of capacity proposed in its qualification packages and capacity auction bids, some or all the financial assurance monies would be forfeited.

Similar to the past several years, the Company expects that FCM revenues will decline for the 2025 plan year. The current estimate for capacity market revenue in 2025 is \$9,795,081.

8.2.4 Regional Greenhouse Gas Initiative (RGGI) Funding

RGGI funding is allocated to the State of Rhode Island based on quarterly auctions for emissions allowances. The OER develops a plan for the allocation of auction proceeds. The Company does not expect any revenue from RGGI for the 2025 plan year.

8.2.5 Exceptions to the Natural Gas Energy Efficiency Program Charge

All gas used for distributed generation projects approved since 2014 will be subject to the natural gas energy efficiency surcharge.³⁴

The 2006 Act allows the PUC to exempt natural gas used for manufacturing processes from the energy efficiency surcharge where the customer has established a self-directed program to invest in and achieve best effective energy efficiency in accordance with a PUC-approved plan and subject to periodic review and approval by the PUC. Consistent with prior PUC decisions, the Company has developed recommendations for a process under which a manufacturer may submit its self-directed program and the required annual reports for approval. The Company recognizes that this process may need to be reviewed and modified after the PUC has accumulated sufficient experience with these programs. Any customer that receives this exemption from the natural gas energy efficiency program charge will not be eligible to receive natural gas energy efficiency program services.

8.2.6 Budget Management

Deviations from the planned budget for 2025 are possible during the program year. The Company contemplates three potential overspending scenarios, and will address them as follows:

Anticipated overspending up to 10 percent. The Company's expenditures for 2025 may exceed the total portfolio budget by up to 10 percent as long as written notification is provided to the EERMC, OER, PUC,

³³ Such circumstances may include legislative action to alter the EE Program Charge or discontinue the Company's authority to implement the energy efficiency programs underlying the Qualifications Package or a PUC decision limiting the Company's role in bidding the demand savings acquired through program efforts into the FCM.

³⁴ Natural gas used for distributed generation (excluding natural gas used by emergency generators) for distributed generation projects approved under the energy efficiency programs in 2013 and prior years - independent of the date those facilities become commercially operable – are not subject to the energy efficiency surcharge when natural gas used for that purpose can be clearly identified through uniquely metered use and when so requested in writing by the customer.

and DPUC for any deviation. The Company will track expected expenditures relative to planned budgets and will report to stakeholders through inclusion in the quarterly reports, or earlier, if the Company believes such overage is likely to occur. Any such notification will occur as soon as possible, and no later than the distribution of the Company's Third Quarter Report in mid-November 2025 and must explain the need for a higher budget and must justify how the expenditures are reasonably consistent with the original Annual Plan and in accordance with Least Cost Procurement.

Anticipated overspending in excess of 10 percent. During 2025, if the Company anticipates that continued operation of its programs is likely to result in actual expenditures exceeding the total portfolio budget by more than 10 percent, the Company will seek a vote of approval from the EERMC. OER commits to making all reasonable efforts to schedule such vote as soon as feasible following notification, but no later than thirty days from receipt of notification. The PUC will not provide advance approval of expenditures exceeding the total budget by more than 10 percent. The Company will be required to demonstrate to the PUC that the overspend was prudent. Support from the Division, OER, and EERMC will be considered in the PUC's review of prudence.

Unanticipated overspending in excess of 10 percent. If the Company did not anticipate and notify stakeholders identified above that its actual expenditures would exceed the total portfolio budget by more than 10 percent, but actual expenditures do exceed such threshold, such expenditures above 110 percent of approved budget will be at the Company's risk. In order to secure cost recovery, the Company will bear the burden of demonstrating the reasonableness of its actions to the PUC, including an explanation of why the overspending occurred and how the expenditures are reasonably consistent with the original Annual Plan and in accordance with Least Cost Procurement. Such a demonstration would be required to be part of the 2025 Year-End Report.

In all instances, the PUC retains its ratemaking authority to review the prudence and reasonableness of the Company's actions.

8.2.7 Notification of Large Customer Incentives

The Company shall inform the PUC, DPUC, OER, and EERMC in writing of any energy efficiency incentive annual offer in excess of \$3 million per measure. The Company shall inform the DPUC, OER, and EERMC in writing of any Combined Heat and Power project with a net output of 1 MW or greater (where net is the nameplate MW output minus Combined Heat and Power auxiliary kW). The process for notification of Combined Heat and Power projects is described in Attachment 2: C&I Programs. To prevent customer delays and to facilitate the Company's ability to meet customer expectation and annual energy savings goals, the OER, EERMC and Division agree to ask questions and provide comments on any non-Combined Heat and Power energy efficiency incentive annual offer in excess of \$3 million within 30 days. The Company, through its own discretion, may proceed with an incentive offer. The incentive, and any other related proposals will be authorized to proceed after 30 days from the date on which the Company notified the PUC, OER, Division, and EERMC of the incentive unless the PUC suspends the filing and/or issues an order within such 30-day period to extend the time for purposes of further review.

9. PERFORMANCE INCENTIVE PLAN

The Performance Incentive Mechanism (PIM), as approved in Docket 5076, established the measurement of performance as a net benefits framework based on a set of prioritized benefit categories. This prioritizes utility system impacts over resource benefits generated by the programs and omits the societal benefits. The “netting” calculation incents budget controls so that the benefits are achieved in line with the portfolio budgets as proposed in the Annual Plan.

Equation 1. Illustrative Calculation of Net Benefits for Performance Incentive Mechanism

Total Benefits = (100% of Utility System Benefits+35% of Resource Benefits)

Net Benefits = (100% of Utility System Benefits+35% of Resource Benefits) – (Programmatic Costs+Regulatory Costs)

The PIM measures performance at the sector and fuel level:

- Non-Income Eligible Residential Electric
- Income Eligible Residential Electric
- Commercial and Industrial Electric
- Non-Income Eligible Residential Gas
- Income Eligible Residential Gas
- Commercial and Industrial Gas

PIM calculations include a set of potential adjustments that are intended to further incent the company to maintain budget controls in the delivery of savings, and therefore prioritized benefits, by adjusting earnings under this mechanism based on cost relative to budget. The Company is not proposing structural changes to the PIM for 2025. Attachment 5, Table E-8A and Attachment 6, G-8A show the categories of benefits that are included in the PIM calculations, categories omitted from the PIM, and the weighting assigned to those benefits in the calculation. The categories of benefits are also summarized in Table 12 for electric and Table 13 for gas below. The monetized benefits included in the PIM are calculated from a subset of benefit categories included in the RI Test, calculated using the same methods and inputs as the RI Test.

Table 12. Electric Energy Efficiency Portfolio Benefits Alignment for PIM Calculations

Benefit	(a) PIM Categorization	(b) Percent Allocation in PIM Calculation
1 Summer Generation	Electric Utility System Benefits	100%
2 Capacity DRIPE		
3 Transmission		

Benefit	(a) PIM Categorization	(b) Percent Allocation in PIM Calculation
4 Distribution		
5 Reliability		
6 Winter Peak Electric Energy		
7 Winter Off Peak Electric Energy		
8 Summer Peak Electric Energy		
9 Summer Off Peak Electric Energy		
10 Electric Energy DRIPE		
11 Utility Non-Energy Impacts (NEIs)		
12 Natural Gas and Natural Gas DRIPE	Resource Benefits	35%
13 Oil and Oil DRIPE		
14 Propane		
15 Water		
16 Non-Resource (NEIs)	Other Not Included Benefits	0%
17 Non-Embedded GHGs		
18 Economic		

Table 13. Gas Energy Efficiency Portfolio Benefits Alignment for PIM Calculations

Benefit	(a) PIM Categorization	(b) Percent Allocation in PIM Calculation
1 Natural Gas	Gas Utility System Benefits	100%
2 Natural Gas DRIPE		
3 Utility Non-Energy Impacts (NEIs)		
4 Summer Generation	Resource Benefits	35%
5 Capacity DRIPE		
6 Transmission		
7 Distribution		
8 Reliability		
9 Winter Peak Electric Energy		
10 Winter Off Peak Electric Energy		
11 Summer Peak Electric Energy		
12 Summer Off Peak Electric Energy		
13 Electric Energy DRIPE		
14 Oil and Oil DRIPE		
15 Propane		
16 Water		
17 Non-Resource (NEIs)	Other Not Included Benefits	0%
18 Non-Embedded GHGs		
19 Economic		

Tables E-8B and G-8B show the costs that are used in the “netting” calculations in the PIM, and that are incorporated in the SQAs in the sectors to which they apply. The core of the costs included in the PIM is the “Eligible PIM Budget” derived from Attachment 5, Table E-3 and Attachment 6, Table G-3. The Eligible PIM budget is calculated based on the total budget from Tables E-2 and G-2 with regulatory costs equally distributed and commitments, OER costs, RIIB transfers, pilot costs, assessment costs, and performance incentive value removed.

Electric

In 2025, two electric sectors (non-income eligible Residential and C&I) are eligible to receive performance incentives. The combined eligible net benefits of these sectors have decreased from 2024 to 2025. In 2025, the Company proposes a payout rate of 7% of 2025 planned PIM-eligible net benefits, which the same rate used to calculate the 2024 Annual Plan Compliance Filing payout pool. Because of the smaller amount of PIM-eligible benefits, this payout rate yields a target incentive pool of \$2,553,974, which is \$521,094 less in electric performance incentives than in 2024.

For 2025, the Company has proposed raising the maximum income eligible electric SQA from \$352,674 to \$481,230. This adjustment is directly scaled to the increase in total income eligible benefits between 2024 and 2025. The non-income eligible Residential and C&I sectors are not eligible for SQAs in 2025.

Natural Gas

As in 2024, in 2025, the gas performance incentive is entirely allocated to the C&I sector (the only sector with positive eligible net benefits). The Company's proposed 2025 gas incentive was calculated by keeping the 2024 Annual Plan Compliance Filing gas C&I payout rate of 10% constant for 2025. In 2025, the Company is seeking a payout pool of \$604,043 which is \$154,609 less in gas performance incentives than in 2024. This decrease aligns with the decrease in natural gas eligible net benefits.

In 2022025, the Company has proposed raising the maximum non-income eligible gas SQA from \$302,823 to \$396,000 and raising the maximum income eligible gas SQA from \$109,114 to \$144,369. The adjustments are directly scaled to the changes in total sector-specific eligible benefits between 2024 and 2025. The C&I sector is not eligible for an SQA in 2025.

9.1 FUTURE PERFORMANCE METRICS

The Company does not propose any additional performance metrics for the 2025 Program Year.

10. ADVANCING DOCKET 4600 PRINCIPLES AND GOALS

Along with the quantitative benefits detailed in this Annual Plan, as measured by the RI Test, the energy efficiency investments and innovation planned for 2025 also advance the Docket 4600 principles and goals.³⁵ The Docket 4600-A Guidance Document directed that "the proposing party must provide accompanying evidence that addresses how the proposal advances, detracts from, or is neutral to each of the stated goals of the electric system."³⁶ To meet this directive, the Company describes how the Annual Plan either advances, detracts, or remains neutral on achieving the Docket 4600 goals for the electric system in Table 14.

Table 14. Docket 4600 Goals for the Electric System

4600 Goals for Electric System	(a) Advances/Detracts/Neutral
1 Provide reliable, safe, clean, and affordable energy to Rhode Island customers over the long term.	Advances: The Annual Plan gives customers tools to reduce their energy consumption. The safest, most reliable, most affordable energy is energy that is never used. Lowering energy consumption avoids investments in the installation, upgrade, or replacement of transmission and distribution infrastructure, and reduces strain on the system.

³⁵ PUC Report and Order No. 22851 accepting the Stakeholder Report. Written Order issued Jul. 31, 2017.

³⁶ Approved final clean version of Guidance Document (Oct. 27, 2017).

4600 Goals for Electric System	(a) Advances/Detracts/Neutral
2 Strengthen the Rhode Island economy, support economic competitiveness, retain, and create jobs by optimizing the benefits of a modern grid and attaining appropriate rate design structures.	Advances: The Annual Plan will create significant economic benefits in Rhode Island. The Company expects that investments made in energy efficiency under this Annual Plan will add \$201.5 million to Rhode Island's Gross State Product (GSP), equivalent to 2,092 job-years.
3 Address the challenge of climate change and other forms of pollution.	Advances: The Annual Plan will help reduce 61,707 annual short tons of carbon emissions in 2025 from the installed measures as well as reduce other pollutants associated with the generation and combustion of electricity, natural gas, and delivered fuels.
4 Prioritize and facilitate increasing customer investment in their facilities (efficiency, distributed generation, storage, responsive demand, and the electrification of vehicles and heating) where that investment provides recognizable net benefits.	Advances: The Annual Plan provides incentives for customers to invest in cost-effective energy efficiency measures in their facilities and participate in demand response programs and provides handoffs to other programs including EV charging programs.
5 Appropriately compensate distributed energy resources for the value they provide to the electricity system, customers, and society.	Neutral: This is not applicable; distributed energy resources, such as generators, are not participants in the energy efficiency programs.
6 Appropriately charge customers for the cost they impose on the grid.	Neutral: This is not applicable; energy efficiency projects do not impose a cost on the grid.
7 Appropriately compensate the distribution utility for the services it provides.	Advances: The performance incentive contained in this Annual Plan compensates the Company for achieving the energy savings goals through delivering cost-effective energy efficiency programs to customers while aligning with the PUC's PIM principles.
8 Align distribution utility, customer, and policy objectives and interests through the regulatory framework, including rate design, cost recovery, and incentive.	Advances: The Annual Plan aligns Company, customer, and policy objectives and interests by incentivizing energy savings measures that enable customers to manage and reduce their energy consumption, which in turn contributes to the greenhouse gas reduction goals of the Act on Climate, Power Sector Transformation goals, Heating Sector Transformation goals, and the 100 percent Renewable Electricity goal while allowing the Company to earn a performance incentive.

11. CONCLUSION

This Plan attempts to address the changing landscape of energy efficiency in Rhode Island. 2025 brings with it considerable changes from the environment of late 2023 in which the last annual and three-year plans were created. The Company has endeavored to address this new context while continuing to provide viable, effective efficiency options for energy consumers in Rhode Island.

2025 will bring a new statewide energy code: the 2024 International Energy Conservation Code (IECC). The Company anticipates that the Inflation Reduction Act (IRA) and other state and local programs aimed at funding energy initiatives will heighten the demand for energy efficiency, and consequentially,

the demand for the skilled professionals responsible for implementing the Company's programs. Additionally, the Rhode Island Public Utilities Commission (PUC), in RI PUC Order 25092 within Docket 23-35-EE, set forth that any program with a projected cost that exceeds the cost of supply—excluding delivered fuels in the intrastate calculation—must provide a justification for its approval. In the 2025 Annual Plan, the costs of six proposed programs surpass the Commission's established cost of supply, requiring justifications based on the Least Cost Procurement (LCP) Standards. In response to these changes, the Company's workforce development initiatives will encompass a variety of capacity-building activities. With regards to the implementation of IECC 2024, the Company has already initiated training for contractors, town officials, program implementers, and other relevant stakeholders regarding the new energy code's implications for designing and installing energy efficiency measures in both existing buildings and new construction projects. To meet this growing demand anticipated with the influx of IRA funding, the Company plans to expand its current workforce development efforts and utilize the knowledge and training resources available through trade allies and industry experts.

The Company has made significant efforts to present justifications—both quantitative and qualitative—for the continued support of programs where the Cost of Efficiency exceeds the Cost of Supply as defined by the PUC. The Company has revised its strategy for planning the 2025 programs, specifically by reducing funding for delivered fuels efficiency measures in an effort to minimize program costs that exceed the cost of supply. Throughout 2025, the Company will evaluate the effects of these adjustments on program participation, contractor engagement, resource allocation, and customer satisfaction to determine if further modifications are needed. The Company considers this a multi-year process, and therefore, decisions regarding program continuation should not be based solely on the 2025 plan but should also take into account long-term impacts. There may be market and program effects that cannot be evaluated in time for the 2025 planning cycle but could provide valuable insights for future plans.

12. MISCELLANEOUS PROVISIONS

- Other than as expressly stated herein, this Annual Plan establishes no principles and shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation before the PUC.
- Other than as expressly stated herein, the approval of this Annual Plan by the PUC shall not in any way constitute a determination as to the merits of any issue in any other PUC proceeding.
- RI Energy will convene the EE TWG no less than six times in 2025 to review the status and performance of the Company's 2025 energy efficiency programs and advise the Company on potential programs for the 2026 program year.

13. REPORTING REQUIREMENTS

In 2025, the Company will provide reports, including a report for the first three quarters of 2025 and an annual 2025 report. These reports will be sent to the EERMC, the Division, OER, the EE TWG, and the PUC and will include the most currently available program performance for both natural gas and electric efficiency programs. These reports will include a comparison of budgets and goals by program to actual expenses and savings on a year-to-date basis, and a status report on revolving loan funds. The Company reports will also include a summary of program and equity progress and will highlight issues by sector for EERMC, Division, OER, and EE TWG attention. Within the C&I sector, there will be separate highlighting of large and small customer program progress and issues. Beginning in the second quarter, the quarterly reports also include a forecast of expected results.

- Beginning with the 2019 Year End Report, the Company provided detailed costs schedules that were developed in collaboration with the PUC. The Company proposes to submit detailed cost schedules in the 2025 Year End Report. In addition, the Company also proposes to submit confidential vendor schedules to the PUC, with a motion for protective treatment. These confidential vendor schedules detail costs to individual vendors and other external entities.
- Per the Standards adopted in Docket 23-07-EE, the Company will provide to the EE TWG, and file with the PUC its 2024 Year-End Report no later than May 1, 2025. This report will include achieved natural gas and electric energy savings in 2024 and earned incentives for 2024. The report will also include a discussion of deviations from planned quantities as specified in the Standards.
- The Company will provide the EE TWG with a summary of evaluation results that have been incorporated into this 2025 Plan, including a description of the impact of those results in planning the Company's 2026 programs, in the 2026 Plan to be filed by October 1, 2025.

14. REQUESTED RULINGS

The Company respectfully requests that the PUC approve the 2025 Plan as presented in this document and the supporting attachments in its entirety. The Annual Plan has been developed with careful consideration of the linkages between all parts. The specific components of this 2025 Plan for which the Company requests approval include:

- The savings goals, programs, measures, budgets, and associated customer collections required to fund the 2025 energy efficiency programs.
- The PIM and associated earning opportunity provided by the Company in this Annual Plan.

ATTACHMENTS

Annual Plan Attachment 1. Residential & Income Eligible Energy Efficiency Solutions and Programs

Annual Plan Attachment 2. Commercial & Industrial Energy Efficiency Solutions and Programs

Annual Plan Attachment 3. Evaluation, Measurement & Verification Plan

Annual Plan Attachment 4. Rhode Island Benefit Cost Test Description

Annual Plan Attachment 5 and Attachment 6. Electric and Gas Energy Efficiency Program Tables

Annual Plan Attachment 7. Pilots, Demonstrations & Assessments

Annual Plan Attachment 8. Cross-Program Summary

Annual Plan Attachment 9. Definitions

Annual Plan Attachment 10. 2024 Equity Working Group Report

2025 Residential and Income Eligible Energy Efficiency Solutions and Programs

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1. OVERVIEW

The goal of the 2025 Plan is to deliver optimized, tailored programs in an equitable manner to make Rhode Island homes energy efficient through weatherization, advanced building standards, efficient appliances, smart thermostats, and high-efficiency heating, cooling and hot water systems. To attain its energy efficiency savings goals, the Company will make a concerted, sustained effort to ensure the workforce is well trained and that customers are aware of and participate in these programs.

This attachment provides detailed descriptions of the Residential Portfolio, including information regarding the markets (customer/building types) targeted, eligibility requirements, offerings, implementation and delivery strategies, as well as specific program-level changes and other notable items for 2025.

1.1 Residential and Income Eligible Programs

The Company offers the programs listed in Table 1 below to provide comprehensive services to two regulatorily defined sectors: market rate and income eligible.

Table 1. Residential Market Rate and Income Eligible Programs

Market Rate Residential Sector¹	Income Eligible Sector
EnergyWise Single Family	Income Eligible Single Family
Multifamily	Income Eligible Multifamily
Residential High Efficiency Heating and Hot Water	
Residential Consumer Products	
Residential New Construction	
Home Energy Reports	

There are several market rate Residential Portfolio programs in which both market rate and income eligible customers can participate, though the program is categorized as market rate residential. These programs include Residential New Construction, Residential Consumer Products, Residential High Efficiency Heating and Hot Water, and Home Energy Reports.

¹ The ConnectedSolutions program is no longer being reported under the Energy Efficiency portfolio. It is anticipated that it will be part of the System Reliability Procurement filing.

Program Description Structure

To streamline review of program information in the Annual Plan, the Company has adopted the following structure for each of the programs:

- a. Description of program offerings
- b. Eligibility criteria
- c. Implementation and delivery
- d. Changes, enhancements, and other notable items for 2025

2. ENERGYWISE SINGLE FAMILY (ELECTRIC AND GAS)

2.1 Offerings

The EnergyWise Single Family (EW SF) program offers comprehensive energy efficiency services for single family (1-4 unit) homes. The program uses a whole-house approach to identify energy saving opportunities in all major energy systems and end uses, including heating, cooling, and water heating systems, as well as water saving measures, plug loads, and building envelope leaks (air and thermal barriers). EW SF provides in-home services in two phases: home energy assessment and weatherization.

Home Energy Assessment

Customers will be able to choose whether to have an in-person assessment or a virtual home energy assessment². Only a small percentage of customers select a virtual assessment over the in-person assessment. However, the virtual home energy assessment is an excellent option for customers who are hesitant to commit to an in-person appointment. The virtual assessment was added due to COVID but at this point is less than 1% of initial audits. If the virtual audit indicates opportunity, an in-person audit is required to generate a scope of work.

² Virtual assessments were introduced in 2020 and provide multiple options to communicate energy savings information depending on customer familiarity with smart phone and video calling technologies. A video call can be used to guide the customer around their home so an energy specialist can assess the home's energy use. If the customer is not able to use video, the energy specialist will ask the customer send in pictures (before or after the virtual assessment) of important areas such as the attic, heating and water heating system, and basement crawl spaces while walking through the assessment by phone.

During the in-home assessment, an energy specialist(s) (a Building Performance Institute certified building analyst) will look for immediate energy saving opportunities that can quickly be addressed during the visit including aerators, showerheads, pipe insulation for domestic hot water, refrigerator brushes (for cleaning refrigerator and freezer coils), smart strips, and programmable thermostats. In addition, the energy specialist will assess the home to identify deeper energy saving opportunities. The energy specialist will also conduct combustion safety tests of all combustion appliances for both carbon monoxide and proper drafting. Applying a comprehensive, whole-house approach, the energy specialist will evaluate all major energy systems including the heating, cooling and water heating systems, appliances, water fixtures, plug loads, and critically the building envelope including both the thermal and air barriers.

An Energy Action Plan is presented to the customer at the end of the assessment and reviewed with the customer. The Energy Action Plan gives the customer a clear roadmap for upgrading their home, including a recommended plan for weatherization (air sealing, insulation, duct sealing, and windows if appropriate) and associated costs, including available incentives, customer costs, energy savings, and return on investment. The Energy Action Plan also provides the customer with a streamlined path to engage a qualified independent weatherization contractor to perform the weatherization work. The Energy Action Plan details additional potential energy upgrades and incentives the customer may be eligible for, including high-efficiency heating, cooling, and hot water systems. Opportunities for financing the customer share of the weatherization (as well as other upgrades) are also provided. The work will then be assigned to a weatherization contractor who will contact the customer directly to schedule a date for weatherization work.

Weatherization

The energy specialist's primary focus during an in-home assessment is to examine the opportunity to improve the home's building envelope through air sealing (decreasing air leaks), duct sealing, and increasing insulation, collectively referred to as "weatherization." Weatherization is a cost-effective way to improve a building's performance. It also offers customers a healthier and more comfortable home that will passively remain cooler in the summer and warmer in the winter, helping reduce energy bills for customers. The standard EW SF incentive currently offers 75% off (up to \$10,000) for insulation and 100% off air sealing.³

Many health and safety considerations are addressed when weatherizing, such as combustion testing (for carbon monoxide and proper drafting) or installing mechanical fans to ensure a healthy air exchange rate.

³ Duct sealing is offered if relevant. Average time is 2 hours. It is 100% if the ducts are in an unconditioned or semi-conditioned basement (sometimes it is the cause of draft issues for combustion appliances) or an attic.

One of the largest impediments to customers proceeding with weatherization are pre-existing health and safety issues or physical barriers, which prevent weatherization until remediated; collectively these issues are referred to as pre-weatherization barriers (PWBs). At this time, EW SF does not substantially pay for remediation of the pre-weatherization barriers, nor are they included in the weatherization scope of work to be implemented by program contractors. However, the customer is provided with information such as types of contractors to call (with a list of contractors for some barriers) and information on available grants and loans. The information packet also emphasizes the importance of addressing pre-weatherization barriers for reasons other than continuing with the weatherization process (such as health and safety) to further encourage customers to move forward with the process. The program also provides a \$250 incentive to customers who certify that pre-weatherization barriers have been remediated by appropriate licensed professionals, or it can also be used for lower cost barriers such as cleaning and tuning of the heating system. Pre-weatherization costs for knob-and-tube wiring, vermiculite, asbestos, mold abatement, structural concerns, and combustion safety can be included in the HEAT Loan. These are listed on the HEAT Loan application. The Company recognizes this remains a major issue for the success of weatherization, and we present ideas in Section 2.4 below to discuss possible changes.

2.2 Eligibility Criteria

EW SF is the flagship in-home comprehensive energy efficiency offering for all Rhode Islanders in single family residences (defined as one to four units) who are not candidates for the Income Eligible Services Program. All market rate customers with either an electric or natural gas Rhode Island Energy account can participate. Homeowners, renters, and landlords are all encouraged to participate. Customers with any heating fuel type, including delivered fuels (oil and propane), are served (so long as they have a Rhode Island Energy account).

2.3 Implementation and Delivery

EW SF is delivered through a Lead Vendor model where the Lead Vendor provides assessments and schedules weatherization projects with the independent insulation contractors who provide weatherization services. The Lead Vendor provides program oversight of all weatherization work. Before the Independent Insulation Contractor closes the job, the Lead Vendor verifies the completion of all contracted work. This process minimizes return visits and complaints from customers. Spanish and Portuguese speaking energy specialists are available by request and a translation service is available for other languages.

To manage program performance, key performance indicators are tracked to measure and improve consistency of program delivery and to help meet goals. Data tracked includes audits requested, audits scheduled, and audits completed, as well as general progress towards annual saving and spending goals.

The Lead Vendor model facilitates consistent assessments for customers and allows the program to incorporate testing of new concepts as well as generating leads for other programs. EW SF's program design has been consistently recognized as best-in-class by the ENERGY STAR® Partner of the Year awards for program implementation.

Customers can apply for low-cost financing through the HEAT Loan to finance the customer costs associated with the upgrade(s). Financing the energy upgrades requires selecting an approved lender and applying for the loan. For customers with lower credit scores, there is a lender that specializes in financial coaching and approves HEAT Loans for energy upgrades.

An independent third-party company provides quality control and quality assurance to 5 percent of all assessments and weatherization projects.

The program is marketed using a multi-channel approach featuring direct mail, target e-mails, bill inserts, radio, local newspaper and magazine print ads, online banner ads, native articles, Facebook/Instagram ads, Facebook/Instagram videos, and Google paid search discovery. The program also conducts outreach at a variety of community events, home shows, and employer sponsored informational sessions.

2.4 2025 Program Enhancements, Changes, and Other Notable Items

There are several key challenges, themes, and ideas that the Company is focused on for the EW SF program in 2025.

Cost of Supply & Justification

The Company continues to deliberate on approaches to serve delivered fuels and other customers given PUC feedback. The framework outlined by the PUC is particularly relevant to our "Direct Install" programs (the single and multifamily programs), especially for the EW SF program given the amount of delivered fuels audits and weatherization that occur in the program. It is important to note that the framework also impacts electric and gas measures. For further discussion on this topic, please refer to the Main Text, Section 6.6 "Cost of Annual Plan Compared to the Cost of Energy Supply."

For 2025 the Company is reducing incentives for delivered fuels weatherization from 75% to 50%. We are also reducing the planned quantities by 20%. We are increasing targets for electric-heat weatherization by 20%. We are also shifting the billing of gas audits to occur on the gas side, to provide a more accurate representation of costs by program and fuel. In addition, the costs of the four EWSF weatherization measures were adjusted based on recent program data, which resulted in overall lower costs for the program.

Pre-Weatherization Barriers

The Company will continue to work on the issue of pre-weatherization barriers (PWBs), including through improved data collection and analysis, seeking additional funding, and exploring partnerships.

Some notable activities on this front include working to improve on data collection and reporting around the issue, as well as conducting additional research to learn how other Program Administrators and states around the nation handle the problem of PWBs.

The primary initiative and change we believe would be most impactful is for RISE (as the Lead Vendor) to obtain remediation bids on behalf of the customer, in order to provide a full scope of work that includes the weatherization along with any required remediation. This full scope could then be submitted for the HEAT Loan. The Company will seek funding to enable this service. The following paragraph outlines some data to show the extent of the issue and the level of funding required.

Program data indicates that 75% of audits identify weatherization (Wx) opportunities. Of those 75%, 55% have one or more “hard barriers” that would require remediation for Wx to proceed. 75% of those “hard barriers” typically go unresolved. The most common barriers are knob and tube (K&T), and mold/mildew (M&M). The estimated remediation cost is \$7,500 for K&T and \$3,600 for M&M. Assuming \$5,500 as an average. We have 6,000 gas audits and 2,000 electric-heat audits planned for 2025. Assuming the numbers above, we estimate 3,300 potential EW SF projects in 2025 with Wx opportunity but also hard barriers. We assume the average cost to remediate is \$5,500. Therefore, project management would be \$825 per home with barrier (15% admin cost of a \$5,500 job). That’s \$2.7M in total admin, \$18.1M to remediate, \$20.9M combined. Note this doesn’t include delivered fuels Wx and doesn’t include backlog. Therefore, the problem is significant and requires a substantial amount of money to help address.

The Company applied for \$3M through RI Dept. of Environmental Management’s (DEM) Priority Climate Action Plan (PCAP). Unfortunately, this application was not selected to be funded. The Company is also exploring additional partnerships and funding sources such as the [Providence Home Repair Program](#)⁴ which is being administered by the [Providence Revolving Fund](#)⁵.

The Company has identified other potential funding sources, and we will continue to work towards a viable solution.

Moderate Income

⁴ <https://www.providenceri.gov/mayor-smiley-announces-home-repair-program/>

⁵ <https://www.revolvingfund.org/prf-loan-process>

The Company is considering a moderate-income enhanced incentive for the EW SF program. The intention would be to provide 100% incentive for weatherization (Wx) of moderate-income (60-80% AML) natural gas heated customers. We are working to refine our model to estimate the potential uptake, cost, and benefit of this approach and to ensure proper funding would be allocated.

The following are some of the current key modeling assumptions:

- 20% of the baseline gas weatherization (Wx) jobs would qualify
- An additional 240 Wx jobs might occur throughout the year over baseline
- The 240 additional Wx jobs would lead to and require accounting for increased audits, income verification, non-Wx measures (e.g., powerstrips, thermostats, pipe wrap, etc.), and program management.

Given the assumptions above, the current estimated cost of this offer would be approximately \$1.2M. Relative to the current baseline of \$12.4M, this would be an increase of 9.6%. The baseline of \$12.4M is already significantly elevated already year over year (2025 plan vs 2024 plan) due to moving gas audits (and corresponding admin costs) to accrue on the gas side. Due to this high anticipated cost, the Company intends to seek outside, non-SBC funds to offer this. With non-SBC funding, the Company will also seek to offer this to all moderate-income customers regardless of fuel type (in this case, delivered fuels, since electric-heat customers already receive 100% incentive).

HEAT Loan

The Company is exploring revising the HEAT Loan. Options include a flat buy down (e.g. 5%) or maintaining 0% but at shorter terms based on income, similar to what Mass. is proposing. This would be aimed at reducing costs (the interest rate buy-down) that have escalated due to persistently high interest rates.

Additional Items

The Company will continue to emphasize electric weatherization and electric resistance heat to heat pump conversions. This includes a 100% incentive for weatherization of electric heat customers.

EW SF will continue to offer the 100% landlord weatherization incentive which encourages landlords to weatherize homes by removing any direct costs for the landlord. Renters then benefit with lower energy bills and a more comfortable home.

3. INCOME ELIGIBLE SINGLE FAMILY (ELECTRIC AND GAS)

3.1 Offerings

The Income Eligible Single Family (IE SF) program offers a comprehensive, no-cost⁶, in-home (or virtual) home energy assessment services to increase comfort in the home and decrease a customer's energy costs.

Home Energy Assessment (HEA)

The IES program will move to offering a comprehensive Home Energy Assessment (HEA) for the customer. In the past, the program offered the Appliance Management Program Assessment and a Weatherization and Heating System Assessment in two separate visits. The elements of these two offerings will be streamlined into one Home Energy Assessment, thereby increasing the services offered to the customer with a smaller time commitment than in the past. The move to a comprehensive assessment ensures that customers will receive a review of all their energy usage in a single visit and will have access to a full suite of program offerings. In specifics, the HEA will offer:

- Dedicated support from a BPI-certified energy auditor who 1) educates the homeowner or tenant about their energy bills and monthly usage, 2) assesses the home and learns about the day-to-day activities that consume energy in the home, 3) discusses ways the customer can save energy and money, 4) informs the customer on how to properly operate energy-efficient equipment, and 5) explains to the customer how to identify signs that a water heating system replacement, window air conditioning unit replacement, heating system replacement, or weatherization is needed.
- A comprehensive assessment of the building envelope and heating and cooling systems. This includes visual and equipment-required inspections, infrared camera thermal imaging, and combustion safety testing of heating and water heating systems.
- Installation of instant energy savings measures such as advanced power strips, water saving measures (e.g., faucet aerators and low-flow showerheads), and thermostats.
- Evaluation of existing appliances including refrigerators, freezers, window air conditioning unit(s), clothes washers, and dehumidifiers to determine energy efficiency and eligibility for a no-cost replacement with an energy-efficient appliance model (including delivery and installation).

⁶ 100% incentive via the systems benefit charge (SBC) that funds all Rhode Island Energy's energy efficiency programs. Customer incurs no cost for audit, weatherization, or equipment replacement. Income Eligible (IE) is funded roughly 20% by IE SBC and 80% by a mix of C&I and market rate SBC.

- Air sealing, duct sealing, and insulation upgrades in attics, walls, and basements.
- No-cost replacement of eligible heating, cooling, and/or water heating systems if they are determined to be inefficient or unsafe. Applicable to existing electric, natural gas, oil, and propane heating and cooling systems.
- If a home has existing electric resistance heat, the customer will be offered a no-cost replacement to energy-efficient air source heat pumps that provide both heating and cooling.

3.2 Eligibility Criteria

The IES program serves Rhode Island homeowners, renters, and landlords, who have a Rhode Island Energy account and meet any of the following criteria:

- Household income equal to, or less than, 60 percent of State Median Income levels which are set each program year⁷ **or** enrolled in Rhode Island Energy's fuel discount rate plans, Electric A-60 rate and/or Gas 11, 13 rates.⁸
- Customers enrolled in the federal Low-Income Home Energy Assistance Program (LIHEAP)⁹, also known as "fuel assistance".
- Homeowners and renters who live in a one-to-four unit building with either an electric or gas Rhode Island Energy Discount Rate account can participate, including customers with delivered fuel heat (oil, propane, wood, or coal) if they have an electric account.

Additional eligibility criteria, including the 50 percent rule,¹⁰ shelter and group home eligibility, renter eligibility and repair or replacement eligibility are available in the Rhode Island Weatherization Assistance Program (WAP/IES) Operations Manual. All criteria adhere to 10 CFR 440¹¹ requirements.

3.3 Implementation and Delivery

Program Delivery

The IES program is administered jointly by the Company, the Lead Vendor, the Rhode Island Department of Human Services, and the six Rhode Island Community Action Program (CAP) agencies. The CAP

⁷ <http://www.dhs.ri.gov/Programs/LowIncomeGuidelines.php>.

⁸ <https://www.nationalgridus.com/RI-Home/Bill-Help/Payment-Assistance-Programs>

⁹ <https://www.benefits.gov/benefit/1572>

¹⁰ Customers that are not on the income-eligible rate but live in a two-to-four-unit building where more than 50 percent of the units are income eligible are also eligible to receive weatherization and health and safety services. This exception is referred to as the "50 percent rule".

¹¹ <https://www.ecfr.gov/current/title-10/chapter-II/subchapter-D/part-440>

agencies are embedded in their respective communities and serve as trusted entities through which income-eligible customers can obtain essential resources.

The CAP agencies implement the program work (i.e., weatherization and energy assessments) and the Lead Vendor monitors the overall work pipeline and timeliness of job completion. If a CAP agency determines they cannot complete their work pipeline, then they will refer the job to another CAP agency or to a third-party entity to perform the work. These referred jobs are ultimately counted towards the referring CAP agency's participation and job-completion goals.

To manage program performance, the Lead Vendor tracks key performance indicators to measure and improve consistency of program delivery and to drive the CAP agencies to meet their goals. These indicators measure timeliness of administrative reporting, monthly and year-to-date spending compared to goals, uptake of new appliances and instant savings measures, electric and natural gas weatherization, and heating system installations and cost.

Furthermore, the IES program holds quarterly Best Practices meetings with attendance from the Company, the Lead Vendor, the CAP agencies, DHS, program vendors, and/or speakers that can address a pertinent topic. This same group convenes monthly to conduct a general review of program performance and to coordinate best practices across the CAP agencies.

The Lead Vendor conducts additional coordination with home performance, HVAC contractors, and appliance vendors. These are the parties responsible for installing weatherization, heating (space and hot water), window air conditioners, and appliance measures.

Program Promotion

The IES program is promoted through a marketing specialist, cross-marketing at community expos, social media outreach, coordination with non-profits in Rhode Island, and the Company's call center. The primary point for customers to enroll in the IES program is through the CAP agencies as they provide income verification and comprehensive resources for income-eligible customers.

The Company also promotes the IES program through its Consumer Advocates. The Consumer Advocates work in the community to identify and enroll income-eligible customers onto the A-60 low-income rate and help customers identify options to make their bills more affordable. They work across CAP agencies and senior citizen advocacy and service organizations to make sure that customers are aware of and utilizing all available programs and services. A specific, energy-efficiency (EE) focused Consumer Advocate also works closely with community partners to provide awareness of energy efficiency programs. The EE Consumer Advocate represents low-to-moderate income energy efficiency customers to help inform and influence the design of the Company's programs.

Customer Journey

- A customer begins the process for a no-cost home energy assessment by contacting (e.g., phone, in-person, online through CAP and RI Energy websites) their local CAP agency to submit their information to determine if they meet the income eligibility requirements for participation in the IES program. Customers learn about the program through the outreach efforts by the Company and the CAPS, detailed above.
- With oversight from the Lead Vendor, CAPs provide the full suite of energy efficiency services including:
 - Income-eligibility verification
 - Customer education regarding energy and cost savings opportunities
 - Energy assessments
 - Installation of instant energy savings measures
 - Recommendations for further energy savings measures
- After the CAP agency verifies income eligibility, the CAP will schedule a no-cost home energy assessment.
- The CAPs provide energy education to the customer regarding the pre-and-post energy assessment process, opportunities to save energy, processes for receiving appliance or heating/cooling system upgrades and/or weatherization.
- After installing instant energy savings measures, the CAP agency will schedule all necessary follow-up services for insulation (includes duct/pipe), air sealing, duct sealing, appliance and eligible heating, cooling and hot water system replacements. To conduct this work, the CAPs draw from a list of qualified and background-checked contractors maintained by DHS.
- If needed, the CAP will also provide health and safety services. The services include replacing smoke and carbon monoxide detectors if they are non-functioning or expired, cleaning and tuning heating systems, and addressing conditions such as mold before the energy efficiency work can be completed
- In several cases, these health and safety items prevent weatherization projects from moving forward, at which point they are considered pre-weatherization barriers (PWBs). The Company designates 2% of the IES program funds to address PWBs, and it also leverages funding sources from LIHEAP, the Bipartisan Infrastructure Law (BIL), and DHS/WAP to help address these issues and reduce pre-weatherization expenses that customers face. During the home energy assessment, the CAPs identify PWBs, estimate repair costs and remediation eligibility, and then work with the Lead Vendor and the Company to process the request to remediate these PWBs. Once the request is approved, the CAPs complete the

PWB work in accordance with local permitting requirements and historic preservation protocols. After the PWBs are addressed, the weatherization work can move forward. Final inspection for PWB work is included in final inspection of the weatherization work.

- Funding for weatherization and eligible heating, cooling, and hot water system replacements are leveraged with WAP and LIHEAP. All services, appliances, and eligible heating, cooling, and hot water system replacements are provided at no cost to the customer.

Customer receives a “comment card” to provide their feedback on all aspects of their journey through the IES program.

- An independent, third-party company provides quality control and quality assurance to at least 5 percent of all assessments and weatherization projects.

3.4 2025 Program Enhancements, Changes, and Notable Items

In 2025, there are several key themes for the Income Eligible Single Family (IE SF) program:

Appliances

The Company is working on several improvements to appliance measures and delivery. To start, Rhode Island Energy will move from a Massachusetts-based appliance replacement scheduler to a centralized, Rhode Island CAP scheduler. Furthermore, the Company plans to leverage its Lead Vendor’s experience in appliance delivery to realize bulk purchase of appliances at discounted costs. The Company will also be onboarding additional RI appliance delivery vendors.

Pre-Weatherization Barriers (PWBs)

The Company will continue to work on the issue of pre-weatherization barriers (PWBs) through improved data collection and analysis, seeking additional funding, and exploring partnerships. Please note the IE SF program already provides significant assistance on this front, as detailed in Section 3.3 above. Nevertheless, for such a complicated issue, further work is always needed. Some notable activities on this front from the Company include:

- Developing more robust tracking and reporting capabilities with the Lead Vendor and CAPs
- Beginning to publicly report on PWBs in quarterly reports
- Exploring additional partnerships and funding sources such as the Providence Home Repair Program
- Conducting ongoing research to learn how other Program Administrators and states around the nation handle the problem of PWBs

Equity

We plan to continue building upon equity work, commitments, and tracking. Please refer to the Main Text, Section 2.6.1 “Equity” for further details on this topic.

General Program Improvement

The Company is pursuing several strategies to continuously improve the program and ensure that it meets goals. Notably, the CAPs will hire additional energy auditors and program staff to support the weatherization programs, specifically at the Blackstone Valley CAP and the CAP of Providence. A third-party vendor will also support these CAPs to help them meet demand. The Company also continues to build upon flexible program delivery by allowing overflow vendor and inter-agency referrals. In addition, the Company is updating the workflow processes to be more efficient. One key enhancement is that office staff will take on additional clerical data input that was previously tasked to auditors. This process improvement will allow staff to handle more audits in less time.

In 2025, the Company is also exploring a partnership with a local healthcare network where it will train community health advocates (“*navigantes de salud*”) to refer patients to Rhode Island Energy’s programs for a free energy audit of their homes. These community health advocates will specifically work with patients that have energy insecurity and shutoff concerns.

Heat Pump Conversions

During the PUC’s open meeting regarding the 2023 Annual Energy Efficiency Plan in Docket no 22-33-EE, the PUC directed that Rhode Island Energy develop a plan to achieve 750 units of electric resistance heat (ERH) to air source heat pump (ASHP) conversions annually by 2025, with 25% of those customers served being income eligible. In 2025, the Company has a goal of upgrading 190 income eligible electric heat customers. The Company will work towards hitting its targets through continued marketing, education, and outreach through the CAP agencies. In 2024, the Company has seen an uptick in demand for ASHPs in certain communities as customers better understand and experience the benefits of the technology and educate their friends and family. Please see the Company’s Electric Resistance Heating to Air Source Heat Pumps: Implementation Plan for the Income Eligible Sector, submitted to the PUC in 2023, for additional detail.

Outside Funding & Coordination

- **PCAP Grant:** The Company applied for \$3M through RI Dept. of Environmental Management’s (DEM) Priority Climate Action Plan (PCAP) to be used to address pre-weatherization barriers. Unfortunately, this application was not selected to be funded.

- IRA: IRA has significant carve outs for low-income customers. The Company will continue to coordinate with OER on this initiative. Please refer to the Main Text, Section 5.4 (Coordination with State and Federal Incentive Programs) for further discussion on this topic.
- LIHEAP / WAP: The Company will continue to leverage outside funding such as LIHEAP and WAP to further energy efficiency goals and serve customers.

Delivered Fuel Heating System Replacements

The Company is reducing the amount allocated for delivered fuel (oil, propane) heating system replacements (boilers, furnaces) planned for 2025. The Company will work with the IE SF lead vendor, the CAPs, DHS, and OER to coordinate on heating system replacements. Through coordination, we hope to shift some of these replacements to be heat pumps through OER and IRA.

4. MULTIFAMILY (ENERGYWISE AND INCOME-ELIGIBLE, ELECTRIC AND GAS)

4.1 Offerings

The Multifamily program offers comprehensive energy services for multifamily customers (buildings with 5+ dwelling units) including:

- Energy assessments
- Incentives for efficient electricity, natural gas, or delivered fuels equipment including heating, cooling and domestic hot water systems, cooling equipment, thermostats, smart strips, water saving measures, common-area lighting, and eligible air source heat pumps
- Weatherization measures including air sealing and insulation where eligible and applicable
- Coordination of all services for multifamily properties that participate in the market rate and income eligible multifamily programs.

4.2 Eligibility Criteria

Eligible Multifamily program participants are defined as the following:

- Buildings that contain five or more dwelling units
- Properties consisting of four or more one-to-four-unit buildings that meet both of the following requirements:
 - Are within a reasonable geographical distance¹² from each other, or to a five plus unit building, and
 - Are owned by the same individual or firm

¹² “Reasonable geographic distance” is determined at the discretion of the vendor. The prior program guidelines required buildings to be neighboring each other. This revised guideline will allow the vendor to treat more units for a single owner where those units may be located down the street from each other.

Both market-rate and income-eligible multifamily properties are subject to the above multifamily eligibility requirements for coordinated services. Customers with any heating fuel type, including delivered fuels, are served (so long as they have a Rhode Island Energy account).

For income-eligible properties, co-payments for energy efficiency services and measures will be waived. The income-eligible multifamily sector is defined by properties that meet one of the following criteria:

- Owned by public housing authorities or community development corporations
- Receive affordable housing tax credits or other types of low-income funds/subsidies from the state or federal government; or
- Consist of building units where 50 percent or more of occupants receive utility service on the A-60 (low-income) rate.

A multifamily property may be eligible for services and incentives under both residential and commercial programs. As an example, a building with 20 dwellings that is electrically sub-metered (20 residential accounts) with a commercial electric account for common areas and one commercial gas account serving a central heating/hot water system will likely qualify for incentives through both Multifamily and the Commercial & Industrial Multifamily Programs (see Section 6 of Attachment 2). While this adds a layer of complexity for the Company, it is critical that the Company maintain accounting via these various program budgets to ensure equity for all customers, funding projects through the energy efficiency program charge. In contrast, customers do not experience this added layer of complexity and receive a consolidated incentive for all efficiency work completed at the site. The program's Lead Vendor is well versed in managing projects with multiple types of multifamily designations and helps the customer navigate the process of participating in both programs.

4.3 Implementation and Delivery

The Rhode Island Multifamily program has a single Lead Vendor that utilizes a network of Rhode Island subcontractors to serve all customers, including income-eligible customers. A customer can learn about the Company's Multifamily program offerings in a myriad of ways ranging from communicating directly with the Lead Vendor, accessing the Rhode Island Energy website, direct mail and print marketing, and digital marketing campaigns. The Lead Vendor also conducts direct outreach to help enroll customers in the programs and increase participation.

If the customer or landlord is interested in starting the process, the Lead Vendor would perform an eligibility assessment and then schedule an energy assessment. The Lead Vendor then conducts post site screening to identify which measures pass a benefit/cost (B/C) screening on a project level basis. If a measure does not pass, customers can still include it in the project without an incentive.

A final proposal is then presented to the customer that includes the scope of work, costs, available incentives, and an estimated time frame. The customer is made aware of financing options available to them as well. If the customer decides to proceed with the project, installation work is then scheduled. Once installation work is completed, a final walk through with the customer is done. A completion report is then created and presented to the site's authorized representative and signed off on. A customer survey is also conducted once the work is complete.

Individual condo owners within the Multifamily program are eligible for financing under the HEAT Loan.

An independent third-party company provides quality control and quality assurance to at least 5 percent of all assessments and weatherization projects.

4.4 2025 Program Enhancements, Changes, and Notable Items

In 2025, the Company seeks to continue or start several strategies to foster improvement in the multifamily programs. These strategies include creative techniques to incentivize vendor performance, ease financial obstacles for customers, and provide targeted education and outreach to landlords and tenants.

In 2024, the Company established performance incentives with the multifamily Lead Vendor to help improve program performance. 2025 will be the first full year of operation with performance incentives in place.

As another tool to address any program underperformance in 2025, the Company may implement an enhanced, 100% weatherization incentive for eligible multifamily properties. Eligibility would require that all occupants are renters, and so long as the overall project remains cost effective.

The Company will work with the Consulting team in 2025 to discuss possible dedicated strategies for different property types.

The Company plans to continue its efforts to pursue creative go-to-market strategies for multifamily energy efficiency. There is an ongoing opportunity to better educate multifamily property owners, landlords, and tenants about energy efficiency opportunities. In 2024, Rhode Island Energy launched a landlord outreach initiative in collaboration with the City of Central Falls and community-based organization Progreso Latino to promote energy efficiency directly to landlords. As part of this assessment, the Company is collaborating with its partners to deliver targeted marketing campaigns to multifamily tenants and landlords in Central Falls. The Company also plans to hold listening sessions with Central Falls landlords to better understand their barriers to participating in Rhode Island's energy efficiency programs. These sessions will allow the Company to educate landlords about the opportunities available to them, advocate options for energy efficiency in response to landlords'

concerns, and ultimately build trust in the local community. In 2025, the Company will expand upon this assessment by scaling to different communities while continuing to test new outreach opportunities. The goal is to apply the learnings from Central Falls and replicate the successes. Please see Attachment 7 for more details.

To address upfront cost barriers, the Company also intends to continue its 2024 assessment with BlocPower. Through this assessment, the Company is testing an alternative financing model to fund residential multifamily building projects. Please see more details about BlocPower and this multifamily financing assessment in Attachment 7.

The Company is exploring several other ideas to innovate on the Multifamily program in 2025, including:

- Wide-ranging outreach and awareness marketing campaigns
- Surveys, market research, and direct outreach to housing authorities
- Engaging with landlord associations and multifamily building owner industry groups
- Re-visiting the measure mix and program offerings based on market demand

5. RESIDENTIAL HIGH-EFFICIENCY HVAC AND HOT WATER PROGRAMS (ELECTRIC AND GAS)

5.1 Offerings

The High-Efficiency Heating, Ventilation, and Air Conditioning (HVAC) and Hot Water programs (often referred to the “Residential HVAC” or just “HVAC” program for short) promotes and incentivizes the installation of high-efficiency electric and gas equipment through the following rebates and services:

Customer rebates on energy-efficient equipment:

- Boilers
- Combined condensing boilers
- Furnaces
- ENERGY STAR Most Efficient windows
- Hot water heaters
- Air source heat pumps (central and ductless)
- Air source heat pump water heaters
- Smart thermostats
- Water saving devices
- Boiler ECM pumps

Contractor services:

- Quality installation verification
- Contractor training
- Contractor incentives
- Upstream incentives (discount taken at the distributor level)

The HVAC and Hot Water program is cross promoted through the following programs: EnergyWise, Multifamily, Residential New Construction, and Home Energy Reports. Training elements and best practices of the program are also provided to the IES Program to maintain consistency in contractor skills for accurate sizing, design, installation, and performance verification of high-efficiency HVAC systems.

5.2 Eligibility Criteria

The HVAC and Hot Water program serves all residential customers. Energy-efficient equipment must be installed by a licensed heating or cooling contractor or plumber.

5.3 Implementation and Delivery

The HVAC and Hot Water program is administered by a Lead Vendor that is responsible for contractor training, maintaining distributor relationships, tracking data, providing content for marketing, and documenting monthly, quarterly, and annual energy savings. The Lead Vendor works closely with the Company to deliver the HVAC and Hot Water program and provides strategic insight for program improvements.

Contractor training and education is a primary component of the HVAC and Hot Water program to ensure accurate sizing, design, installation and performance verification of heating, cooling, and hot water equipment and results in energy savings and customer satisfaction.

The Lead Vendor provides regular communication and in-store visits with distributors to provide training and information on the equipment and solicit feedback on customer interactions. The Lead Vendor also ensures distributors have proper promotions and marketing signage within the distribution stores.

The Company and Lead Vendor work with manufacturers to develop special offers, or “flash sales”, to further incentivize customers to participate in the HVAC and Hot Water program to gain the benefit of the energy savings.

Product channels for ease of customer use and for product adoption:

- HVAC contractors during routine maintenance service, emergency service, or contractors’ marketing communications
- Residential New Construction/Major Renovation projects can leverage the HVAC programs to provide expertise and additional support during project design consultation.
- Upstream and midstream incentives.
- Comprehensive RI Energy marketing channels including emails, Home Energy Reports, bill inserts, and radio and media advertisements.
- RI Online Marketplace (www.RIEnergyMarketplace.com) offers customers the ability to purchase instant discount rebates on energy-efficient thermostats and water fixtures.
- The program supports a combination of upstream and midstream incentives as well as post-purchase consumer incentives. The upstream and midstream incentives encourage retailers, distributors, and manufacturers to support ENERGY STAR products with increased production and availability of products. Consumer incentives are designed to bring efficient product costs in line with less efficient equipment, thereby encouraging the adoption of the more efficient item.
- The Home Energy Reports program sends communications to electric customers promoting both air source heat pumps and water heating as energy efficiency solutions.
- The Company markets to all residential customers to make them aware of incentives available for heat pump water heaters and updates HVAC contractors on the offering.

A rebate processing vendor verifies and processes post-consumer incentives which can be submitted electronically or by traditional mail. This vendor also processes upstream and midstream incentives. Customers who complete a Home Energy Assessment through the EnergyWise program can apply for financing through the HEAT Loan for qualified high-efficiency space heating and hot water equipment upgrades.

5.4 2025 Program Enhancements, Changes, and Notable Items

The Company plans to focus on the following key themes and items in 2025 for the HVAC and Hot Water program.

Starting in 2025, the Company will increase our baseline heat pump standard to ENERGY STAR Cold Climate 6.1. Heat pumps will be required to meet the specifications for the incentive but will not require the official certification.

The Company will continue to coordinate with the RI Office of Energy Resources (OER) and their [Clean Heat Rhode Island \(CHRI\) program](#)¹³, on topics such as:

- Alignment on heat pump standards.
- Information for customers, to ensure messaging is consistent and to help avoid customer confusion.

The Company also intends to expand contractor training and provide additional sales resources for contractors to share the benefits of heat pumps with their customers, and to ensure customer clarity and awareness regarding available incentives.

¹³ <https://cleanheatri.com/>

6. RESIDENTIAL CONSUMER PRODUCTS (ELECTRIC)

6.1 Offerings

The Residential Consumer Products (RCP) program incorporates the Environmental Protection Agency (EPA) ENERGY STAR categories of consumer appliances, select building products, and some energy-saving items not included by the EPA. The largest savings elements of the RCP program come from recycling older refrigerators, dehumidifiers, and freezers.

RCP supports the following products:

ENERGY STAR Certified:

- Clothes dryers
- Dehumidifiers
- Room air cleaners
- Room air conditioners

ENERGY STAR Most Efficient:

- Room air conditioners
- Clothes dryers
- Clothes washers
- Dehumidifiers
- Refrigerators

Additional Products:

- Advanced power strips
- Water saving equipment
- Variable speed pool pumps

in Most products on the Marketplace are ones that can be installed by the customer. In some instances, products on the Marketplace are not incentivized. However, the Company lists these products on the Marketplace to provide pre-vetted products to narrow down the selection for consumers and help them avoid potentially unreliable or untested products available through other online retailers.

6.2 Eligibility Criteria

The RCP program serves all residential customers.

6.3 Implementation and Delivery

There is a Lead Vendor that works with retailers, so that they are knowledgeable about the products and ensure proper signage within the retail stores. The Lead Vendor also helps staff customer outreach events and customer information tables at retailer locations. The program supports a combination of upstream and midstream incentives as well as post-purchase consumer incentives.

The upstream incentive is negotiated with major retailers, manufacturers, and distributors while the midstream incentives are typically offered to distributors who are working with smaller retailers. The incentives encourage retailers, manufacturers, and distributors to support ENERGY STAR products by increasing the on-site stocking levels of highly efficient products. By increasing the availability of the products, providing information on the advantages of ENERGY STAR products, and the offer (or promise) of an incentive, the consumer is more likely to acquire products that they might not normally have purchased.

A rebate processing vendor verifies and processes post-consumer incentives which can be submitted electronically or by traditional mail. This vendor also processes upstream, midstream, and recycling incentives.

The recycling vendor collects refrigerators, freezers and dehumidifiers from customer residences or central recycling locations and transports them to the recycling facility in compliance with the EPA's Responsible Appliance Disposal Program.

6.4 2025 Program Enhancements, Changes, and Notable Items

In 2025, the Company will:

- Offer appliance recycling to customers for pick-up services to recycle working refrigerators and freezers with add-on dehumidifiers.
- Continue to explore ways to increase program awareness around instant rebates on Most Efficient Appliances; refrigerators, clothes washers & dryers, room air conditioners.
- Continue monitoring evaluation, monitoring, and verification (EM&V) and market data (e.g., on free-ridership, net-to-gross) to ensure optimization of the program's measures and incentives.

The Company is also screening to see if heat pump dryers could be added as a cost-effective measure.

7. RESIDENTIAL NEW CONSTRUCTION (ELECTRIC AND GAS)

The Residential New Construction (RNC) program offers financial incentives and no-cost education, training and technical support to builders and homeowners to promote the construction of high performing energy-efficient single family, multifamily and income eligible homes. The program helps residential new construction and major renovation projects meet high energy performance standards and provides education and training support to builders, designers, tradespeople, and code officials.

7.1 Offerings

Design and Construction Assistance

- Energy modeling and design assistance to verify compliance with the RNC program’s requirements and determination of respective incentives.
- In-field training and inspections to verify compliance with the RNC program requirements and promote efficiency in subsequent projects.

Market Development

- Technical training on high-efficiency and Zero Energy building practices, all electric new-homes, as well as energy code compliance, to build necessary market capacities. Please refer to the Main Text, Section 2.6.2.5 “Training for Codes and Standards” for more discussion on energy code.
- Training and certifying Home Energy Rating System (HERS) raters to increase the number of qualified raters based in RI.
- Rating and certification services, including HERS, DOE Zero Energy Ready Home, Passive House, and ENERGY STAR, to promote visibility of energy efficiency in the marketplace and support increased use of the Rhode Island Residential Stretch Code.

Incentives

- Whole-home efficiency incentives for buildings based on achieved level of efficiency and number of units.
 - Path to Energy Efficiency incentives ranging from \$200 to \$4,000 per home.
 - Three efficiency tiers, with an entry threshold of 15 percent more efficient than baseline and progressive maximum air leakage requirements.
 - Additional incentive options of \$250-\$1,000 per home for all-electric homes and \$100-\$200 per home for achieving ENERGY STAR certification.
- Path to Zero Energy Ready incentives ranging from \$500-\$1,500 per home in addition to Path to Energy Efficiency.

- Projects must meet a minimum base efficiency level, be all-electric, and achieve DOE Zero Energy Ready Home, Passive House, or equivalent certification.
- Projects with more than 75 units are eligible for custom incentives.
- Adaptive Reuse projects are incentivized based on a separate set of prescriptive measures tailored to mill conversion projects.
- Certification incentives are provided to support third-party verification of energy efficiency measures.
- Equipment rebates for qualifying high-efficiency heating, cooling, and hot water equipment.
- Complimentary WaterSense showerheads.

7.2 Eligibility Criteria

The RNC program is designed to advance the Rhode Island housing market toward Zero Energy Homes. The program provides technical services, inspection services, and project incentives for new construction, additions, and major renovations to both one-to-four unit and five plus unit buildings. The program also supports major renovation of adaptive reuse projects (e.g., mill building conversions). The RNC program supports both market rate and income eligible housing units.

7.3 Implementation and Delivery

Design and Construction Assistance, Incentives

The RNC project pipeline is developed primarily through coordination with Rhode Island permitting departments, engagement of the building industry, and referrals from EnergyWise and Rhode Island Housing. A participating customer/project team officially begins the enrollment process by calling or emailing the RNC program. The project team meets with the RNC program team (led by a Lead Vendor) to discuss the project design, learn how to modify design or mechanical systems to improve energy efficiency, and initiate energy modeling of the project to determine the potential for incentives. Once construction has begun, RNC staff provides on-site training as needed and conducts inspections of the completed project to determine energy efficiency and respective incentives. When the project is complete and has met program requirements, the performance and equipment incentives are issued.

Market Development

The RNC program identifies opportunities to build necessary market capacities to advance toward Zero Energy Homes and delivers education and outreach programming designed to achieve this goal.

7.4 2025 Program Enhancements, Changes, and Notable Items

In 2025, the Company will focus on the following themes and updates to the RNC program:

- Conduct exit surveys with builders after the completion of each project.
- Expand partnerships with affordable housing entities such as RI Housing to develop high efficiency construction guidelines and standards for affordable housing.
- Monitor and prepare for new code changes (IECC 2024) to account for an increasingly more stringent code baseline, and continue to encourage high efficiency construction, with a goal of setting net zero energy as the construction standard in Rhode Island.
- Increase incentives for achieving Passive House certification.
- Increase incentives for achieving US DOE Zero Net Energy certification.
- Increase incentive bonus for all electric homes.
- Increase the number of projects achieving advanced building standards and certifications including Zero Net Energy and Passive House.
- Continue with training and workforce development efforts. Please refer to the Main Text, Section 2.6.2.5 “Training for Codes and Standards” for more information on this topic.
- Work with CT and MA to leverage their trainings.
- Raise awareness of additional programs such as solar PV, electric vehicle charging, and battery programs through trainings and program materials.

8. HOME ENERGY REPORTS (ELECTRIC AND GAS)

8.1 Offerings

The Home Energy Reports (HER) program is a statewide energy efficiency offering that provides benefits for Rhode Island residential customers through the mailing and emailing of customer-specific energy usage reports and insights. While over 300,000 customers receive home energy reports (i.e., the treatment group) by way of direct mail and/or e-mail, all account holders have access to insights into their energy consumption via the web tools located on the Company's website. The program has evolved since 2013 from offering only mailed insights to now being integrated into the Company's website with online assessment tools, sending Non-Advanced Metering Infrastructure (AMI) High Usage Alerts, and utilizing segmentation to target different populations with relevant messaging.

8.2 Eligibility Criteria

Most Rhode Island residential Electric and Gas customers are eligible for the HER program. Customers with an email address on record will also receive an electronic version of the report (eHER). All customers have access to the online home energy assessment and related insights. Randomly compiled control and treatment groups are necessary for accurate savings reporting. Thus, some customers will not receive print or electronic reports (control group), while others receive both print and electronic home energy reports (treatment group).

8.3 Implementation and Delivery

The HER program is administered by a Lead Vendor, a company with subject matter expertise selected by the Company to deliver the program. The Lead Vendor is responsible for maintaining home energy report distribution groups, tracking data, managing the online portal, and documenting energy savings. The Lead Vendor works with the Company to craft the messaging and delivery of the home energy reports and works with the Company to introduce additional program enhancements, aligning with the Company's state-wide comprehensive marketing efforts.

All eligible customers will receive up to six printed versions of the report a year and up to four gas specific reports in the winter season. All customers with email on record will receive up to 12 eHERs a year. The reports include marketing messages informing customers of other program opportunities so that they may be made aware of the most current and relevant energy efficiency offerings. For customers interested in learning more about energy saving tips and their home's energy consumption, they may log into the online portal and use the available tools.

8.4 2025 Program Enhancements, Changes, and Notable Items

For 2025, the planned savings are based on recent actuals (as opposed to estimated savings from the most recent EM&V study).

9. MARKETING TO RESIDENTIAL CUSTOMERS

In 2025, the Company will continue to drive participation through two main pathways – targeted programs and broad-based programs. Targeted programs include the Company’s retrofit, new construction, and product rebate programs. These programs serve to drive deeper savings to targeted customer segments and offer a wide array of energy efficiency measures. The Company also reaches broad participation by promoting products upstream and through home energy reports. These broader based programs provide value by reaching a wide and diverse set of customers, helping to provide more customers with access to energy savings, as well as acting as a gateway to drive participation in other energy efficiency programs.

Rhode Island Energy’s website will be overhauled in 2024, which will improve navigability, readability, and accessibility. Customers will have a single sign-on experience that allows them to seamlessly access information on all aspects of their energy use, including billing questions and energy efficiency. The website will offer language translation through Google Translate to improve accessibility for all customers. The improved website will be available by early 2025.

The Company plans to hold twelve Customer Assistance Expos annually, plus over a dozen pop-ups each month, located in communities throughout the state. These events focus on ways to help customers pay their bills. Energy efficiency is a key method to help customers lower their gas and electric bills, and Company staff help customers understand how to participate. These events serve as excellent opportunities to engage with customers, offering informative materials, raising awareness, and addressing the relevance of energy efficiency. Customer Advocates will attend many outreach events at local organizations in addition to the Customer Assistance Expos.

Multichannel marketing enables customers to learn about energy efficiency through a variety of communication methods including print ads, radio ads, social media, online/digital, e-mail, direct mail, bill inserts, events, collateral, and Google paid search.

The Company plans to pilot a social media influencer effort in 2024 and based on those learnings will expand in 2025. Social media influencers can develop content covering topics from energy saving tips, the Home Energy Assessment experience, how heat pumps work, or making a product purchase at Lowe’s or Home Depot and getting an instant rebate. Through authentic content from personalities that customers already trust, Rhode Islanders can organically learn about making more energy efficient choices and finding ways to save money.

The Company coordinates State agencies to refer customers and share leads across Rhode Island Energy Efficiency Programs and other state and federal energy efficiency opportunities, such as CHRI. Cross-marketing occurs via strategically timed collateral, leave-behind information and marketing materials

that cross-promote programs, and by processes to serve customers and buildings holistically across multiple program pathways. In 2025, the Company will introduce a follow-up marketing campaign triggering communications to customers after they participate, identifying the next best step in their energy efficiency journey. The Company holds routine meetings and has ad hoc channels of communication open with other program administrators, including OER and CommerceRI.

Equity continues to be a key component of the Company's Marketing strategy. E-mails include prominent links at the top of each communication, enabling customers to read the message in Spanish or Portuguese. Direct mail may include all three languages (English, Spanish, and Portuguese) or QR codes to read the text in Spanish or Portuguese, based on the customer's preference.

10. RESIDENTIAL MEASURES AND INCENTIVES

Table 3 below lists the planned measures for the electric Residential programs, by program, along with the planned quantities, incentives per quantity, total incentives, and annual and lifetime savings. Table 4 shows the same information for the planned Gas program, respectively. Planned costs in non-incentive cost categories for each program that are not allocated at the measure level are provided in Table E-2 of Attachment 5 for the electric portfolio and Table G-2 of Attachment 6 for the natural gas portfolio.

Table 2. Planned Measures for Electric Residential Programs

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Program	Measure	Quantity	Incentive / Quantity	Total Incentives	Net Annual Energy Savings (MWh)	Net Lifetime Energy Savings (MWh)	Net Annual Summer Capacity Savings (kW)	Net Annual Winter Capacity Savings (kW)	Annual Carbon Reductions (Short Tons)	Lifetime Carbon Reductions (Short Tons)
1	Residential New Construction	Clothes Washer	110	\$0.00	\$0	2.1	29.9	1.4	1.5	1.2	17.3
2	Residential New Construction	Codes and Standards	1	\$0.00	\$0	248.4	4,967.9	0.0	0.0	100.8	2,017.0
3	Residential New Construction	Cooling - Tier 1	105	\$0.00	\$0	10.1	251.8	1.4	0.0	5.5	136.3
4	Residential New Construction	Cooling - Tier 2	72	\$0.00	\$0	7.5	186.7	1.0	0.0	4.0	101.1
5	Residential New Construction	Cooling - Tier 3	9	\$0.00	\$0	1.1	28.7	0.3	0.0	0.6	15.5
6	Residential New Construction	CP - Cooling	11	\$0.00	\$0	1.6	41.0	1.3	0.0	0.7	16.6
7	Residential New Construction	CP - DHW	11	\$0.00	\$0	4.1	62.0	0.0	0.0	1.7	25.2
8	Residential New Construction	CP - Heating	11	\$843.00	\$9,273	14.5	361.9	0.0	7.6	12.5	312.8
9	Residential New Construction	DHW - Tier 1	105	\$0.00	\$0	3.4	50.4	0.8	0.0	1.8	27.3

10	Residential New Construction	DHW - Tier 2	72	\$0.00	\$0	2.4	35.3	1.6	0.0	1.3	19.1
11	Residential New Construction	DHW - Tier 3	9	\$0.00	\$0	0.3	4.7	0.2	0.0	0.2	2.6
12	Residential New Construction	Dishwasher	320	\$0.00	\$0	1.1	12.4	0.1	0.1	5.1	55.7
13	Residential New Construction	Heating - Tier 1	105	\$1,547.00	\$162,435	53.7	1,342.9	0.0	4.9	48.5	1,211.4
14	Residential New Construction	Heating - Tier 2	72	\$5,203.00	\$374,616	81.6	2,040.4	0.0	7.6	74.8	1,870.5
15	Residential New Construction	Heating - Tier 3	9	\$8,233.00	\$74,097	15.0	375.8	0.0	2.6	14.6	364.0
16	Residential New Construction	Refrigerators	430	\$0.00	\$0	18.9	227.2	3.0	3.4	16.7	200.5
17	Residential New Construction	Renovation Rehab - Cooling Tier 1, Elec	30	\$0.00	\$0	11.5	288.6	1.2	4.5	45.6	1,138.9
18	Residential New Construction	Renovation Rehab - Cooling Tier 2, Elec	21	\$0.00	\$0	32.8	820.9	0.6	2.4	24.6	614.7
19	Residential New Construction	Renovation Rehab - Cooling Tier 3, Elec	2	\$0.00	\$0	4.2	104.7	0.3	1.2	1.8	46.2
20	Residential New Construction	Renovation Rehab CP - Cooling, Elec	3	\$0.00	\$0	2.1	52.7	0.0	0.1	0.9	23.2
21	Residential New Construction	Renovation Rehab CP - DHW, Elec	3	\$0.00	\$0	2.1	52.7	0.0	0.1	0.9	23.2
22	Residential New Construction	Renovation Rehab CP - Heating, Elec	3	\$843.00	\$2,529	2.1	52.7	0.0	0.1	0.9	23.2
23	Residential New Construction	Renovation Rehab - DHW Tier 1, Elec	30	\$0.00	\$0	11.5	173.1	1.2	4.5	45.6	683.5
24	Residential New Construction	Renovation Rehab - DHW Tier 2, Elec	21	\$0.00	\$0	32.8	492.5	0.6	2.4	24.6	368.8
25	Residential New Construction	Renovation Rehab - DHW Tier 3, Elec	2	\$0.00	\$0	4.2	62.8	0.3	1.2	1.8	27.7

26	Residential New Construction	Renovation Rehab - Heating Tier 1, Elec	30	\$2,006.00	\$60,180	11.5	288.6	1.2	4.5	45.7	1,142.7
27	Residential New Construction	Renovation Rehab - Heating Tier 2, Elec	21	\$2,953.00	\$62,013	32.8	820.8	0.6	2.4	24.6	615.6
28	Residential New Construction	Renovation Rehab - Heating Tier 3, Elec	2	\$15,104.00	\$30,208	4.2	104.7	0.3	1.2	1.8	46.2
29	Residential New Construction	Showerheads	11	\$0.00	\$0	2.6	39.7	0.4	0.6	1.1	16.1
30	Residential HVAC	Central Heat Pump	680	\$1,050.00	\$714,000	912.3	18,245.1	131.1	17.3	423.3	8,465.7
31	Residential HVAC	CoolSmart AC QIV ES	61	\$175.00	\$10,675	2.2	38.9	1.3	0.0	1.0	18.0
32	Residential HVAC	CoolSmart HP Tuneup	230	\$200.00	\$46,000	69.2	346.0	21.0	50.2	31.9	159.6
33	Residential HVAC	CoolSmart HP QIV ES	15	\$175.00	\$2,625	3.5	63.1	0.3	0.8	1.6	29.1
34	Residential HVAC	ECM Pumps	4,533	\$100.00	\$453,300	340.9	5,113.2	0.0	135.0	138.4	2,076.0
35	Residential HVAC	Electric Resistance to MSHP	590	\$3,250.00	\$1,917,500	3,496.8	59,446.3	0.0	1,057.8	1,568.7	26,668.7
36	Residential HVAC	HPWH, Electric - <55 gallon	26	\$625.00	\$16,250	41.5	539.3	1.6	2.6	18.1	234.9
37	Residential HVAC	HPWH, Electric - >55 gallon, UEF 2.70	254	\$150.00	\$38,100	85.2	1,107.9	1.8	3.0	37.1	482.6
38	Residential HVAC	Mini Split Heat Pump QIV	526	\$120.00	\$63,120	43.3	735.9	3.5	9.5	17.6	298.8
39	Residential HVAC	MiniSplit HP	1,692	\$460.00	\$778,320	864.9	14,703.4	67.2	154.2	401.3	6,822.4
40	Residential HVAC	WiFi programmable thermostat with cooling (oil)	1,650	\$75.00	\$123,750	29.4	323.4	17.2	0.0	313.6	3,449.5
41	Residential HVAC	WiFi Thermostat, AC Only	800	\$75.00	\$60,000	51.0	561.1	13.9	0.0	20.9	230.1
42	Residential HVAC	Window - Electric Resistance	25	\$75.00	\$1,875	3.1	53.4	1.0	1.3	1.3	22.6

43	Residential HVAC	Window -Heat Pump	25	\$75.00	\$1,875	1.7	28.2	0.4	0.3	0.7	11.9
44	Residential HVAC	Window -Oil	25	\$75.00	\$1,875	0.2	2.9	0.1	0.0	1.1	17.9
45	Residential HVAC	Window - Propane	25	\$75.00	\$1,875	0.2	2.9	0.1	0.0	1.1	18.5
46	Residential HVAC	ACDOWNSIZE	50	\$150.00	\$7,500	8.6	155.3	4.4	0.0	4.1	74.2
47	EnergyWise Single Family	Aerator, Electric	246	\$7.00	\$1,722	4.6	32.3	0.4	0.7	2.4	16.8
48	EnergyWise Single Family	Aerator, Oil	231	\$7.00	\$1,617	0.0	0.0	0.0	0.0	2.0	13.7
49	EnergyWise Single Family	Aerator, Others	33	\$7.00	\$231	0.0	0.0	0.0	0.0	0.3	1.9
50	EnergyWise Single Family	Electric Resistance to MSHp	20	\$4,400.00	\$88,000	123.8	2,104.2	0.0	37.4	53.2	904.0
51	EnergyWise Single Family	Participant	5,070	\$375.00	\$1,901,250	0.0	0.0	0.0	0.0	0.0	0.0
52	EnergyWise Single Family	Pipe Insulation, Electric	1,584	\$7.00	\$11,088	55.7	389.9	4.4	8.6	29.0	202.9
53	EnergyWise Single Family	Pipe Insulation, Oil	2,420	\$7.00	\$16,940	0.0	0.0	0.0	0.0	46.6	326.2
54	EnergyWise Single Family	Pipe Insulation, Others	660	\$7.00	\$4,620	0.0	0.0	0.0	0.0	13.2	92.4
55	EnergyWise Single Family	Pre-weatherization	715	\$250.00	\$178,750	0.0	0.0	0.0	0.0	0.0	0.0
56	EnergyWise Single Family	Programmable Thermostat - Elec	846	\$100.00	\$84,600	96.1	1,826.2	79.6	18.3	67.3	1,278.4
57	EnergyWise Single Family	Programmable Thermostat, Oil	2,780	\$100.00	\$278,000	38.3	727.9	63.4	0.0	358.5	6,811.7
58	EnergyWise Single Family	Programmable Thermostat, Others	74	\$100.00	\$7,400	1.0	19.4	1.7	0.0	9.9	187.7
59	EnergyWise Single Family	Refrigerator Brush	4,221	\$5.00	\$21,105	47.8	239.2	8.1	6.2	18.7	93.4
60	EnergyWise Single Family	Showerhead - Elec	1,140	\$30.00	\$34,200	161.0	2,414.8	13.5	0.0	83.8	1,257.0
61	EnergyWise Single Family	Showerhead - Oil	1,300	\$30.00	\$39,000	0.0	0.0	0.0	0.0	86.9	1,302.8
62	EnergyWise Single Family	Showerhead - Other	66	\$30.00	\$1,980	0.0	0.0	0.0	0.0	4.2	62.9
63	EnergyWise Single Family	Smart Strip	7,598	\$22.00	\$167,156	456.2	2,281.2	46.0	63.2	250.3	1,251.6
64	EnergyWise Single Family	Weatherization, Electric	330	\$4,000.00	\$1,320,000	229.7	4,594.6	209.0	47.9	102.5	2,049.9

65	EnergyWise Single Family	Weatherization, Oil	1,498	\$2,650.00	\$3,969,700	87.2	1,744.9	108.2	0.0	1,255.6	25,112.0
66	EnergyWise Single Family	Weatherization, Others	200	\$2,300.00	\$460,000	11.6	233.0	14.4	0.0	173.8	3,476.7
67	EnergyWise Single Family	WiFi Thermostat - AC Only	15	\$200.00	\$3,000	0.4	4.3	0.6	0.0	0.3	3.0
68	EnergyWise Single Family	WiFi Thermostat - Oil	66	\$200.00	\$13,200	0.9	10.0	1.5	0.0	11.3	123.8
69	EnergyWise Single Family	WiFi Thermostat - Others	22	\$200.00	\$4,400	0.3	3.3	0.5	0.0	3.9	42.7
70	EnergyWise Multifamily	Aerator - Elec	300	\$5.00	\$1,500	9.5	66.8	0.8	1.5	4.2	29.2
71	EnergyWise Multifamily	Aerator - Oil	5	\$5.00	\$25	0.0	0.0	0.0	0.0	0.1	0.4
72	EnergyWise Multifamily	Air Sealing - Elec	26,000	\$1.05	\$27,300	17.7	353.6	1.5	1.0	10.6	211.1
73	EnergyWise Multifamily	Air Sealing - Elec w/AC	2,200	\$1.05	\$2,310	1.5	29.9	2.5	0.0	0.9	17.9
74	EnergyWise Multifamily	Air Sealing - Oil	31	\$100.00	\$3,100	0.0	0.0	0.0	0.0	2.0	40.6
75	EnergyWise Multifamily	CUSTOM CIRCULATOR	8,250	\$1.62	\$13,365	7.1	106.7	0.0	0.0	2.9	43.3
76	EnergyWise Multifamily	Heat Pumps	96,000	\$3.40	\$326,400	96.0	1,920.0	-8.1	8.1	39.0	779.5
77	EnergyWise Multifamily	Insulation - Elec w/AC	27,708	\$1.80	\$49,874	16.2	406.0	9.0	0.0	9.7	242.4
78	EnergyWise Multifamily	Insulation - Oil	28	\$118.00	\$3,304	0.0	0.5	0.0	0.0	1.8	46.1
79	EnergyWise Multifamily	Pipe Wrap DHW - Elec	250	\$3.00	\$750	5.2	78.2	0.4	0.8	2.3	34.1
80	EnergyWise Multifamily	Pipe Wrap DHW - Oil	3	\$3.00	\$9	0.0	0.0	0.0	0.0	0.0	0.4
81	EnergyWise Multifamily	Programmable Thermostat - Elec w/ AC	500	\$125.00	\$62,500	70.0	1,329.7	20.2	10.1	53.6	1,018.6
82	EnergyWise Multifamily	Programmable Thermostat - Oil	2	\$125.00	\$250	0.0	0.6	0.0	0.0	0.2	4.2
83	EnergyWise Multifamily	Showerhead - Elec	200	\$25.00	\$5,000	41.2	617.7	3.3	6.3	18.0	269.7
84	EnergyWise Multifamily	Showerhead - Oil	1	\$25.00	\$25	0.0	0.0	0.0	0.0	0.1	1.2
85	EnergyWise Multifamily	Smart Strips	960	\$23.00	\$22,080	54.5	272.6	5.5	7.6	31.6	158.1
86	EnergyWise Multifamily	TSV Showerhead - Elec	30	\$40.00	\$1,200	7.9	118.6	0.6	1.2	3.5	51.8

87	EnergyWise Multifamily	TSV Showerhead - Oil	1	\$40.00	\$40	0.0	0.0	0.0	0.0	0.1	1.4
88	EnergyWise Multifamily	VFD	6,000	\$4.00	\$24,000	5.3	79.8	0.0	0.0	2.4	36.2
89	EnergyWise Multifamily	Common Int EISA Exempt	80	\$52.00	\$4,160	14.9	14.9	2.1	3.3	6.0	6.0
90	Home Energy Reports	Existing Dual Fuel	4,101,885	\$0.00	\$0	4,430.0	4,430.0	631.3	985.7	1,798.6	1,798.6
91	Home Energy Reports	Existing Electric	12,052,169	\$0.00	\$0	13,016.3	13,016.3	1,854.8	2,896.1	5,284.6	5,284.6
92	Home Energy Reports	New Movers Dual Fuel	2,465,740	\$0.00	\$0	1,652.0	1,652.0	235.4	367.6	670.7	670.7
93	Home Energy Reports	New Movers Electric	4,424,506	\$0.00	\$0	2,964.4	2,964.4	422.4	659.6	1,203.6	1,203.6
94	Residential Consumer Products	Advanced Power Strips - Tier 2	1,100	\$35.00	\$38,500	155.0	775.1	8.4	11.5	62.9	314.7
95	Residential Consumer Products	Clothes Washer Most Efficient	131	\$25.00	\$3,275	3.4	48.3	2.1	2.4	1.6	21.8
96	Residential Consumer Products	Dryer Most Efficient	131	\$30.00	\$3,930	27.6	441.5	3.4	4.6	11.2	179.3
97	Residential Consumer Products	Dehumidifier	1,800	\$30.00	\$54,000	71.9	1,221.7	16.0	4.0	59.5	1,012.2
98	Residential Consumer Products	Dehumidifier Recycling	1,500	\$35.00	\$52,500	250.4	1,001.5	20.9	5.2	247.9	991.7
99	Residential Consumer Products	EnergyStar Dryer	725	\$50.00	\$36,250	59.7	955.5	7.4	10.0	46.6	746.0
100	Residential Consumer Products	Freezer Recycling	150	\$95.00	\$14,250	46.9	375.5	5.9	3.8	38.1	304.9
101	Residential Consumer Products	Low E Storm Windows, electric heat	30	\$25.00	\$750	6.6	131.9	5.7	1.3	2.8	55.8
102	Residential Consumer Products	Low E Storm Windows, other heat	30	\$25.00	\$750	0.1	2.9	0.1	0.0	1.6	31.1
103	Residential Consumer Products	Low Flow Showerhead w/ TSV - Elec	30	\$15.00	\$450	5.8	86.7	0.5	0.9	2.3	35.2
104	Residential Consumer Products	Low Flow Showerhead w/ TSV - Oil	30	\$15.00	\$450	0.0	0.0	0.0	0.0	2.0	30.3
105	Residential Consumer Products	Low Flow Showerhead w/ TSV - Other	30	\$15.00	\$450	0.0	0.0	0.0	0.0	1.9	29.1

106	Residential Consumer Products	Pool pump (variable)	375	\$500.00	\$187,500	428.5	2,571.2	369.5	0.0	195.5	1,172.9
107	Residential Consumer Products	Refrigerator Most Efficient	320	\$25.00	\$8,000	23.0	275.6	3.9	3.0	12.4	149.2
108	Residential Consumer Products	Refrigerator Recycling	2,300	\$95.00	\$218,500	936.0	3,744.1	158.4	121.3	826.1	3,304.5
109	Residential Consumer Products	Room AC (10.8)	450	\$40.00	\$18,000	9.1	108.9	17.1	0.0	6.6	78.9
110	Residential Consumer Products	Dehumidifier Most Efficient	25	\$17.00	\$425	1.2	19.8	0.3	0.1	0.5	8.0
111	Residential Consumer Products	Room AC Most Efficient	125	\$17.00	\$2,125	10.2	121.8	18.3	0.0	7.4	88.3
112	Residential Consumer Products	Room air cleaners	795	\$40.00	\$31,800	190.0	1,709.6	42.4	10.5	122.4	1,101.8
113	Residential Consumer Products	Smart Strips	6,500	\$10.00	\$65,000	508.6	2,543.0	51.3	70.5	206.5	1,032.5
114	Residential Consumer Products	Thermostatic Shutoff Valve - Elec	30	\$11.50	\$345	1.7	25.9	0.1	0.3	0.7	10.8
115	Residential Consumer Products	Thermostatic Shut-off Valve - Oil	35	\$11.50	\$403	0.0	0.0	0.0	0.0	0.8	11.5
116	Residential Consumer Products	Thermostatic Shut-off Valve - Other	25	\$11.50	\$288	0.0	0.0	0.0	0.0	0.5	7.6
117	Residential Consumer Products	Tricklestar Keyboard	25	\$25.00	\$625	1.4	6.8	0.5	0.7	0.8	4.0
118	Income Eligible Single Family	Basic Educational Measures	2,060	\$180.00	\$370,800	43.3	216.3	4.4	6.0	17.6	87.8
119	Income Eligible Single Family	Dehumidifier Rebate	490	\$275.00	\$134,750	239.8	4,076.7	52.3	12.9	97.4	1,655.1
120	Income Eligible Single Family	Domestic Hot Water Measure, Oil	16	\$20.00	\$320	0.0	0.0	0.0	0.0	0.9	12.3
121	Income Eligible Single Family	Early Retirement Clothes Washer Elec DHW & Elec Dryer	124	\$770.00	\$95,480	72.9	1,020.8	11.4	9.1	29.6	414.4

122	Income Eligible Single Family	Early Retirement Clothes Washer Elec DHW & Gas Dryer	6	\$770.00	\$4,620	1.8	25.8	0.3	0.2	1.1	15.2
123	Income Eligible Single Family	Early Retirement Clothes Washer Gas DHW & Elec Dryer	206	\$770.00	\$158,620	67.4	943.1	10.5	8.4	42.8	598.8
124	Income Eligible Single Family	Early Retirement Clothes Washer Gas DHW & Gas Dryer	124	\$770.00	\$95,480	5.7	79.9	0.9	0.7	18.6	259.9
125	Income Eligible Single Family	Early Retirement Clothes Washer Oil DHW & Elec Dryer	186	\$770.00	\$143,220	60.8	851.5	9.5	7.6	40.3	564.0
126	Income Eligible Single Family	Early Retirement Clothes Washer Propane DHW & Elec Dryer	16	\$770.00	\$12,320	5.2	73.2	0.8	0.6	3.5	49.2
127	Income Eligible Single Family	Heating System Retrofit - Boiler, Oil	30	\$5,500.00	\$165,000	0.3	6.9	0.0	0.1	15.4	355.3
128	Income Eligible Single Family	Heating System Retrofit - Boiler, Other	1	\$5,500.00	\$5,500	0.0	0.4	0.0	0.0	0.5	12.5
129	Income Eligible Single Family	Heating System Retrofit - Furnace, Oil	3	\$5,500.00	\$16,500	0.0	0.5	0.0	0.0	1.5	26.3
130	Income Eligible Single Family	Heating System Retrofit - Furnace, Other	1	\$5,500.00	\$5,500	0.0	0.3	0.0	0.0	0.5	9.2
131	Income Eligible Single Family	HP Water Heaters	4	\$2,131.00	\$8,524	6.8	102.7	0.1	0.2	2.8	41.7

132	Income Eligible Single Family	MSHP - Electric Resistance	190	\$16,000.00	\$3,040,000	1,244.3	21,153.3	0.0	376.4	505.2	8,588.2
133	Income Eligible Single Family	Replacement Freezer	155	\$600.00	\$93,000	51.6	619.4	6.5	4.2	21.0	251.5
134	Income Eligible Single Family	Replacement Refrigerator	1,391	\$1,100.00	\$1,530,100	649.6	9,744.0	109.9	84.2	263.7	3,956.0
135	Income Eligible Single Family	Smart Strips	2,369	\$20.00	\$47,380	185.4	926.8	18.7	25.7	75.3	376.3
136	Income Eligible Single Family	Weatherization, Electric	190	\$5,500.00	\$1,045,000	233.9	4,677.8	202.2	74.0	95.0	1,899.2
137	Income Eligible Single Family	Weatherization, Oil	237	\$5,500.00	\$1,303,500	22.5	450.3	252.2	92.3	210.9	4218.9
138	Income Eligible Single Family	Weatherization, Other	21	\$5,500.00	\$115,500	2.0	39.1	14.6	6.8	17.9	358.6
139	Income Eligible Single Family	Wi-Fi Thermostat - AC Only	26	\$275.00	\$7,150	1.7	18.3	0.8	0.0	0.7	7.4
140	Income Eligible Single Family	Wi-Fi Thermostat - Oil	31	\$275.00	\$8,525	2.0	21.8	1.0	0.0	6.5	71.0
141	Income Eligible Single Family	Wi-Fi Thermostat - Other	6	\$275.00	\$1,650	0.4	4.2	0.2	0.0	1.3	14.2
142	Income Eligible Single Family	Window AC Replacements	2,292	\$385.00	\$882,420	162.7	1,952.8	306.0	0.0	66.1	792.8
143	Income Eligible Multifamily	Aerator - Electric	35	\$5.00	\$175	1.2	8.4	0.1	0.2	0.5	3.4
144	Income Eligible Multifamily	Aerator - Oil	2	\$5.00	\$10	0.0	0.0	0.0	0.0	0.0	0.2
145	Income Eligible Multifamily	Air Sealing - Elec	6,120	\$1.05	\$6,426	6.1	122.4	1.5	1.0	2.5	49.7
146	Income Eligible Multifamily	Air Sealing - Elec w/AC	489	\$1.05	\$513	0.5	9.8	0.4	0.1	0.2	4.0
147	Income Eligible Multifamily	Air Sealing - Oil	31	\$100.00	\$3,100	0.0	0.0	0.0	0.0	2.0	40.6
148	Income Eligible Multifamily	CUSTOM CIRCULATOR	42,600	\$3.60	\$153,360	42.2	632.6	0.0	0.0	17.1	256.8

149	Income Eligible Multifamily	EISA Exempt Lighting - Common Int	400	\$32.00	\$12,800	74.4	74.4	10.6	16.5	30.2	30.2
150	Income Eligible Multifamily	Heat Pumps	463,000	\$3.09	\$1,430,670	463.0	9,260.0	5.5	546.3	188.0	3,759.6
151	Income Eligible Multifamily	Insulation - Elec with AC	5,885	\$2.40	\$14,124	5.9	147.1	1.5	1.0	2.4	59.7
152	Income Eligible Multifamily	Insulation - Oil	28	\$180.00	\$5,040	0.0	0.0	0.0	0.0	1.8	45.9
153	Income Eligible Multifamily	Pipe Wrap DHW - Elec	5	\$3.00	\$15	0.1	1.7	0.0	0.0	0.0	0.7
154	Income Eligible Multifamily	Programmable Thermostat - Elec with AC	5	\$125.00	\$625	1.3	25.1	0.3	0.2	0.5	10.2
155	Income Eligible Multifamily	Showerhead - Elec	70	\$25.00	\$1,750	15.5	232.5	1.2	3.0	6.3	94.4
156	Income Eligible Multifamily	Showerhead - Oil	2	\$25.00	\$50	0.0	0.0	0.0	0.0	0.2	2.5
157	Income Eligible Multifamily	Smart Strips	70	\$23.00	\$1,610	5.7	28.4	0.6	0.8	2.3	11.5
158	Income Eligible Multifamily	VFD	22,098	\$2.70	\$59,665	21.9	328.2	0.0	0.0	8.9	133.2

Table 34. Planned Measures for Gas Residential Programs

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Program	Measure	Quantity	Incentive / Quantity	Total Incentives	Total Annual Gas Savings (MMBtu)	Total Lifetime Gas Savings (MMBtu)	Annual Carbon Reductions (Short Tons)	Lifetime Carbon Reductions (Short Tons)
1	Residential New Construction	Codes and Standards	1	\$0.00	\$0	1,507.2	30,144.3	88.2	1,763.4
2	Residential New Construction	Cooling - Tier 1	85	\$0.00	\$0	0.0	0.0	0.0	0.0
3	Residential New Construction	Cooling - Tier 2	58	\$0.00	\$0	0.0	0.0	0.0	0.0
4	Residential New Construction	Cooling - Tier 3	6	\$0.00	\$0	0.0	0.0	0.0	0.0

5	Residential New Construction	CP - Heating	8	\$310.00	\$2,480	69.4	1,734.0	4.1	101.4
6	Residential New Construction	CP - DHW	8	\$50.00	\$400	10.1	151.2	0.6	8.8
7	Residential New Construction	CP - Cooling	8	\$0.00	\$0	0.0	0.0	0.0	0.0
8	Residential New Construction	DHW- Tier 1	85	\$50.00	\$4,250	47.2	707.6	3.7	55.2
9	Residential New Construction	DHW - Tier 2	58	\$150.00	\$8,700	45.2	678.6	3.5	52.9
10	Residential New Construction	DHW - Tier 3	6	\$150.00	\$900	6.3	93.8	0.5	7.3
11	Residential New Construction	Heating - Tier 1	85	\$1,050.00	\$89,250	557.8	13,945.3	43.5	1,087.7
12	Residential New Construction	Heating - Tier 2	58	\$1,975.00	\$114,550	480.2	12,006.0	37.5	936.5
13	Residential New Construction	Heating - Tier 3	6	\$2,300.00	\$13,800	66.5	1,662.8	5.2	129.7
14	Residential New Construction	MFHR - Cooling	35	\$0.00	\$0	0.0	0.0	0.0	0.0
15	Residential New Construction	MFHR - Heating	35	\$700.00	\$24,500	78.1	1,951.3	4.6	114.1
16	Residential New Construction	MFHR - Water Heating	35	\$700.00	\$24,500	77.7	1,165.5	4.5	68.2
17	Residential New Construction	Renovation Rehab - Cooling Tier 1, Gas	22	\$0.00	\$0	0.0	0.0	0.0	0.0
18	Residential New Construction	Renovation Rehab - Cooling Tier 2, Gas	15	\$0.00	\$0	0.0	0.0	0.0	0.0
19	Residential New Construction	Renovation Rehab - Cooling Tier 3, Gas	2	\$0.00	\$0	0.0	0.0	0.0	0.0
20	Residential New Construction	Renovation Rehab CP - Heating, Gas	2	\$310.00	\$620	12.5	312.8	0.8	19.9
21	Residential New Construction	Renovation Rehab CP - Cooling, Gas	2	\$0.00	\$0	0.0	0.0	0.0	0.0
22	Residential New Construction	Renovation Rehab CP - DHW, Gas	2	\$50.00	\$100	1.0	15.5	0.1	1.0
23	Residential New Construction	Renovation Rehab - DHW Tier 1, Gas	22	\$50.00	\$1,100	11.5	173.1	0.7	11.0
24	Residential New Construction	Renovation Rehab - DHW Tier 2, Gas	15	\$150.00	\$2,250	12.0	180.1	0.8	11.5
25	Residential New Construction	Renovation Rehab - DHW Tier 3, Gas	2	\$150.00	\$300	2.1	32.0	0.1	2.0

26	Residential New Construction	Renovation Rehab - Heating Tier 1, Gas	22	\$1,050.00	\$23,100	118.4	2,960.1	7.5	188.2
27	Residential New Construction	Renovation Rehab - Heating Tier 2, Gas	15	\$1,450.00	\$21,750	149.6	3,739.8	9.5	237.8
28	Residential New Construction	Renovation Rehab - Heating Tier 3, Gas	2	\$2,535.00	\$5,070	26.7	667.9	1.7	42.5
29	Residential New Construction	Showerhead	15	\$0.00	\$0	5.4	80.8	0.4	6.1
30	Residential HVAC	Combo Condensing Boiler/Water Heater - 95% AFUE	1,243	\$950.00	\$1,180,850	11,096.4	255,216.9	850.8	19,567.7
31	Residential HVAC	ENERGY STAR ON DEMAND WATER HEATER 0.87 UEF	165	\$600.00	\$99,000	894.0	16,985.4	64.7	1,229.1
32	Residential HVAC	ENERGY STAR STORAGE WATER HEATER .64 UEF (med draw)	31	\$70.00	\$2,170	60.0	539.9	4.0	35.9
33	Residential HVAC	Forced Hot Water Boiler - >=95% AFUE	246	\$775.00	\$190,650	2,008.4	34,142.3	154.0	2,617.7
34	Residential HVAC	Furnace w/ ECM - 97% AFUE	409	\$525.00	\$214,725	1,341.9	22,812.1	102.9	1,749.0
35	Residential HVAC	Low Flow Showerhead	125	\$7.00	\$875	127.4	1,911.2	6.8	102.7
36	Residential HVAC	Programmable Thermostat	267	\$25.00	\$6,675	479.2	9,104.5	32.3	614.3
37	Residential HVAC	Thermostatic Shut-Off Valve	38	\$11.00	\$418	12.3	184.0	0.7	9.9
38	Residential HVAC	TSV Showerhead	40	\$15.00	\$600	41.5	621.8	2.2	33.4
39	Residential HVAC	WiFi Thermostat, Gas - Heat Only	1,075	\$75.00	\$80,625	2,600.3	28,603.8	175.5	1,930.0
40	Residential HVAC	WiFi Thermostat, Gas - Cooling and Heating	412	\$75.00	\$30,900	996.6	10,962.6	70.3	772.8
41	Residential HVAC	Triple Pane Windows	10	\$75.00	\$750	5.8	97.9	0.4	6.5
42	EnergyWise Single Family	Aerator	761	\$7.00	\$5,327	81.4	570.1	6.1	42.8
43	EnergyWise Single Family	Participants (Unique Account Numbers)	5,905	\$375.00	\$2,214,375	0.0	0.0	0.0	0.0
44	EnergyWise Single Family	Pipe Wrap	5,407	\$7.00	\$37,849	1,239.9	8,679.5	93.0	651.0

45	EnergyWise Single Family	Programmable thermostat	1,942	\$100.00	\$194,200	2,051.8	38,983.8	225.7	4,287.9
46	EnergyWise Single Family	Showerhead	1,050	\$30.00	\$31,500	890.9	13,363.6	66.8	1,002.3
47	EnergyWise Single Family	Weatherization	2,362	\$3,375.00	\$7,971,750	28,802.2	576,044.6	1,918.7	38,374.0
48	EnergyWise Single Family	WiFi thermostat	79	\$200.00	\$15,800	112.5	1,237.5	12.1	133.2
49	EnergyWise Multifamily	Air Sealing	1,620	\$100.00	\$162,000	1,101.6	22,032.0	94.8	1,895.4
50	EnergyWise Multifamily	Duct Insulation, MF	1	\$207.00	\$104	0.3	6.8	0.0	0.6
51	EnergyWise Multifamily	Duct Sealing	1	\$232.00	\$116	0.3	6.8	0.0	0.6
52	EnergyWise Multifamily	Faucet aerator	80	\$3.00	\$240	13.4	93.7	0.8	5.9
53	EnergyWise Multifamily	Heating, Custom	420	\$214.00	\$89,880	420.0	6,300.0	24.6	368.6
54	EnergyWise Multifamily	Low Flow Showerhead - Showerhead	80	\$25.00	\$2,000	87.0	1,305.7	5.5	82.1
55	EnergyWise Multifamily	MF Shell Insulation	2,580	\$138.00	\$356,040	1,754.4	43,860.0	150.9	3,773.3
56	EnergyWise Multifamily	Pipe Wrap (Water Heating)	200	\$3.00	\$600	25.1	376.7	1.6	23.7
57	EnergyWise Multifamily	Programmable thermostat	80	\$125.00	\$10,000	60.4	1,148.0	7.6	143.7
58	Home Energy Reports	Existing Dual Fuel	64,187	\$0.00	\$0	59,052.0	59,052.0	3,454.5	3,454.5
59	Home Energy Reports	Existing Gas	11,919	\$0.00	\$0	10,965.5	10,965.5	641.5	641.5
60	Home Energy Reports	New Movers Dual Fuel	14,604	\$0.00	\$0	7,302.0	7,302.0	427.2	427.2
61	Income Eligible Single Family	Boiler	150	\$6,311.00	\$946,650	1,185.0	27,255.0	70.3	1,616.8
62	Income Eligible Single Family	Furnace	45	\$6,311.00	\$283,995	355.5	6,043.5	21.1	358.5
63	Income Eligible Single Family	Weatherization	350	\$6,311.00	\$2,208,850	4,340.0	86,800.0	267.1	5,342.1
64	Income Eligible Single Family	Wi-Fi Thermostat, Gas	40	\$273.00	\$10,920	111.6	1,227.6	6.5	71.8
65	Income Eligible Multifamily	Air Sealing	186	\$100.00	\$18,600	186.0	3,720.0	10.9	217.6
66	Income Eligible Multifamily	Duct Insulation_LI	1	\$277.00	\$277	1.0	20.0	0.1	1.2
67	Income Eligible Multifamily	Duct Sealing	1	\$310.00	\$310	1.0	20.0	0.1	1.2
68	Income Eligible Multifamily	Faucet aerator	150	\$5.00	\$750	27.0	189.0	1.6	11.1
69	Income Eligible Multifamily	HEATING _Custom_LI	11,800	\$225.00	\$2,655,000	11,800.0	177,000.0	690.3	10,354.5

70	Income Eligible Multifamily	Hot Water - Custom	200	\$271.00	\$54,200	200.0	3,600.0	11.7	210.6
71	Income Eligible Multifamily	Low Flow Showerhead - Showerhead	150	\$25.00	\$3,750	175.5	2,632.5	10.3	154.0
72	Income Eligible Multifamily	Pipe Wrap (Water Heating)	40	\$3.00	\$120	5.4	81.0	0.3	4.7
73	Income Eligible Multifamily	Programmable thermostat	310	\$125.00	\$38,750	441.8	8,393.3	29.3	556.9
74	Income Eligible Multifamily	Insulation	256	\$180.00	\$46,080	256.0	6,400.0	15.0	374.4

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1. OVERVIEW

The primary objective of the Company's Commercial and Industrial (C&I) programs is to drive the implementation of energy efficiency projects that minimize or reduce energy consumption and help Rhode Island businesses, industries, institutions, and government agencies save on their utility bills. Energy efficiency programs also help C&I customers reduce their operations and maintenance (O&M) costs, meet corporate sustainability goals, improve indoor air quality, and protect the environment by reducing greenhouse gas emissions and other air pollutants. The Company's C&I programs offer incentives, rebates, financing, and technical assistance to customers across the state who want to save money and reduce their building's overall energy consumption footprint.

The Company continuously evaluates customer needs and market dynamics to determine if program adjustments and enhancements are warranted and to drive market transformation across multiple end-uses. This retrospection allows the Company to develop and evolve program design and efficacy, determine the value and potential of energy efficiency, and secure comprehensive energy savings.

The state's C&I sector is diverse and complex; therefore, the Company has designed its energy efficiency programs to offer tailored solutions addressing the different subsectors and varying efficiency needs of building types and uses. Over the last decade, the Company has focused on a market sector approach for C&I customers. A customer's efficiency needs are shaped by the strategic and commercial pressures specific to their market sector, industry or communities served. Some C&I customers may need to improve the efficiency of their factory operations to maintain their competitive niche while others need to improve the comfort of customers through the installation of high efficiency heating, cooling, and ventilation (HVAC) systems. The Company offers a wide variety of customized solutions to empower customers to determine what energy efficiency measures or programs are the best fit for their needs. This process engages the C&I customer and often leads to more comprehensive projects with multiple energy efficiency measures.

Large C&I customers' facilities provide the greatest opportunities for cost-effective savings. The Company operates its C&I programs primarily through an account management approach where each account manager focuses on one or more industry vertical or market sector. By focusing on specific market sectors, the Company's account manager can identify the correct vertical initiatives (e.g., Grocery, Restaurant, Industry) that are supported by implementation vendors or through large-scale agreements, such as the Strategic Energy Management Partnerships. These vertical initiatives enable the Company to tailor offerings to meet the specific needs of customers, identify and apply project learnings to customers in similar market sectors and facilities, and engage customers in energy efficiency. This custom-tailored approach drives program participation and establishes a trusted relationship between the Company and customers.

For small business customers, the Company offers a direct install program providing turnkey services consisting of audits; reports summarizing the energy efficiency measures, the Company rebates and customer costs; simple, one-page contract; installation services provided by the implementation vendor's electricians; and financing. These services are provided by the Company's implementation vendor because these small business customers are often too busy to identify energy efficiency services in their buildings or operations. However, small business customers can choose to use their own vendor, but most vendors are not focused on delivering energy efficiency services to smaller businesses because of the relatively small project sizes. The installation of energy efficiency measures helps lower customers' energy bills while improving the ambiance, comfort and operations of the establishment.

The Company designed the Midstream channel to help all C&I customers, regardless of size, purchase qualifying high efficiency HVAC, hot water, lighting, and commercial kitchen equipment. This channel subsidizes measures to encourage distributors to stock, promote and sell high efficiency equipment.

This attachment provides detailed descriptions regarding the Company's C&I programs and how the Company plans to transform the 2025 Annual Plan's high-level goals and strategies into specific, concrete actions and activities for each C&I program. The Company provides these details for stakeholders, regulators and other interested parties so they can see the complex framework needed to integrate program implementation, incentive design, new standards and emerging technologies into flexible, innovative programs tailored to specific customer and building types.

1.1 What to Look for in 2025

In 2025, the Company will make several enhancements to existing program offerings to increase participation and drive non-lighting savings. These enhancements include augmenting customer engagement and marketing strategies, adding new HVAC and Food Service measures to the midstream initiative, refining the Building Analytics Program, continuing to promote and ramp up the Energy Management System participation, and to partner with community organizations that can help to drive participation with the Small Business Main Street campaigns. In 2025, the Company plans to implement the following strategies:

- Deploy a data-driven approach to increasing customer participation in the C&I sector
 - Utilizing Energy Profiler Online to look at scheduling inefficiencies
 - Leveraging data from past Market Saturation Studies to identify market segments that historically have participated than other customer segments and use the data to identify end-uses where the Company needs to improve delivery
 - Target specific offerings based on technology fit and customers energy consumption
- Analyzing consumption data (e.g. kilowatt-hours, therms, load distribution, and peak load) to better understand energy efficiency opportunities, especially amongst non-participants

- Utilize past energy efficiency participation data to better target customers and drive repeat engagement
 - Utilizing past Market Saturation analysis to determine which customers to target and how best to engage with specific underserved customer/market sectors
- Developing additional marketing and outreach strategies, including targeted webinars for specific technologies and market sectors, the deployment of marketing case studies utilizing Rhode Island customers, and leveraging participation data to focus on underserved customers
- Support more advanced system controls, energy management systems and building analytics through retro-commissioning, monitoring-based commissioning, equipment right sizing
 - Continued refinement of the Building Analytics Program and Energy Management System offering
- Continued deployment of the custom and prescriptive weatherization tools
- Expansion of Small Business measures including smart power strips and energy efficient hand dryers to achieve greater savings
- Inclusion of a Trade Ally Engagement Specialist to better engage trade allies (e.g. contractors) with expertise in HVAC, controls, refrigeration and other non-lighting technologies
 - Build relationships with contractors and commissioning firms, lead workforce and training efforts, educate on energy efficiency incentives, and address barriers to participation

The implementation of these strategies will support continued innovation and accelerate the efficiency of Rhode Island businesses, industries, institutions and government agencies. These actions and activities support the key strategic priorities set out in the 2024-2026 Three-Year Plan, including increased customer outreach, programs delivered equitably, enhanced financing options, increased workforce capacity building, and targeted comprehensive efficiency upgrades to increase program participation. These strategies and planned activities reflect ideas and insights identified by the Company in collaboration with the Energy Efficiency Resource Management Council (EERMC) and its consulting team, the Office of Energy Resources (OER), and the Division of Public Utilities and Carriers (the Division), as well as customers, program vendors, and trade allies.

The Rhode Island Mercury Reduction and Education Act¹ for linear fluorescent products becomes effective on January 1, 2025, and measure lives for LED fixtures rebated through the Retrofit Program and Small Business Program were reduced by approximately 50%. Savings for these projects are still being claimed in 2025 because the Company's rebates through these two programs accelerate the replacement of existing fluorescent fixtures with LED fixtures. In addition, the Retrofit Program midstream delivery channel adjusted the baseline to tubular LEDs or "TLEDs" for "replace on failure"

¹ <https://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S1119.pdf>

projects – estimated to be 29% of the midstream delivery channel sales – because the legislation prohibits the sale of fluorescent lamps.

The Company continues to develop an equity-driven approach to the implementation and marketing of C&I programs. To help ensure programs are delivered equitably to C&I customers across the state, the Company will work with its Small Business implementation vendor to have multilingual small business auditors on staff or available, have a language line available to small business customers calling the implementation vendor, have Evaluation studies conduct participant surveys in multiple languages, and continue to focus on reaching small C&I customers (“micro-businesses”) while also engaging with organizations supporting minority-owned businesses to raise awareness of the Small Business Program.

1.2 Commercial & Industrial Programs

In 2025, the Company will implement four C&I energy efficiency programs as shown in Table 1 below.² These programs are designed to serve a number of different market sectors, customers and building types.

Table 1. Commercial and Industrial Programs

Large Commercial and Industrial New Construction
Large Commercial Retrofit
Small Business Direct Install
C&I Multifamily Program

All C&I customers are eligible to participate in the Large Commercial and Industrial New Construction Program (New Construction Program) and Large Commercial Retrofit Program (Retrofit Program). However, eligibility for the Small Business Program is limited to customers that consume less than 1.5 million kilowatt-hours (kWh) per year. In cases where a small C&I customer’s project demands larger or more complex efficiency measures than offered through the Small Business Program, the customer can participate in the New Construction Program or Retrofit Program. Table 2 provides a summary of the programs.

² The ConnectedSolutions program is no longer being reported under the Energy Efficiency portfolio; it is anticipated that it will be part of the System Reliability Procurement filing.

Table 2. 2025 Commercial and Industrial Programs

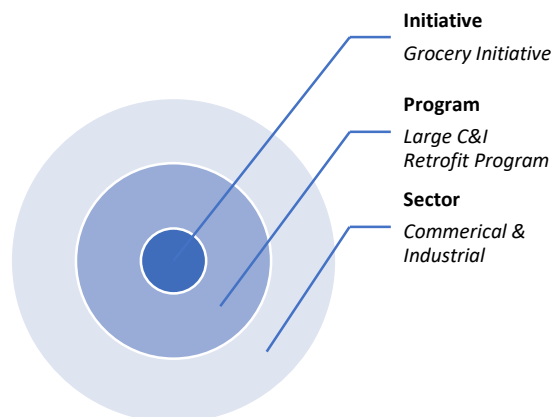
Program Name	Program Description
<p>Large Commercial and Industrial New Construction and Building Energy Code Support</p> <p><i>Funded by Electric and Natural Gas</i></p>	<p>The New Construction Program offers financial incentives and technical assistance to customers, design professionals, developers, and vendors to encourage energy efficiency in new construction, major renovation, planned replacement of aging equipment, and replacement of failed equipment projects.</p> <p>Through the program, design professionals are eligible to receive technical assistance to conduct energy modeling and analysis for new construction projects. Owner's design teams are offered incentives for their time and effort to meet program requirements. The program promotes and incentivizes the installation of high efficiency equipment in existing facilities during remodeling projects or for equipment failure and replacement. Since customers are more likely to install energy-efficient equipment at the time of construction or equipment replacement, the program offers incentives to ensure customers make the investment immediately rather than doing so at a greater cost later. The program also offers operations verification or quality assurance services to ensure that installed equipment and systems operate as intended.</p> <p>The program supports the State's Zero Energy Building goals through engagement and in developing future offerings. The program promotes compliance with the building energy code and increasing the use of the Stretch Code to support the State's goals and objectives. Technical assistance is provided for advancing the development and adoption of minimum efficiency standards for appliances and equipment.</p>
<p>Large Commercial and Industrial Retrofit</p> <p><i>Funded by Electric and Natural Gas</i></p>	<p>All commercial, industrial and institutional customers are eligible to participate in the Retrofit Program. The program incentivizes the replacement of existing equipment and systems with high efficiency alternatives such as lighting, HVAC systems, motors, thermal envelope measures and custom measures in existing buildings. Technical assistance is offered to customers to help them identify energy-saving opportunities.</p> <p>The program's incentives help C&I customers in defraying part of the material and labor costs associated with the installation of energy efficiency measures. In addition, the Company offers education and training, such as the Builder Operator Certification training, to support the adoption of energy-efficient equipment and practices.</p>
<p>Small Business Direct Install</p> <p><i>Funded by Electric and Natural Gas</i></p>	<p>The Small Business Program is a retrofit offering that provides turn-key efficiency solutions to customers who use less than 1.5 million kWh per year. Through the program, a free on-site energy assessment is performed, and customers receive a customized report detailing recommended energy-efficient improvements.</p>

Program Name	Program Description
	<p>From local pizzerias to small convenience stores, the Small Business Program serves mall businesses of all customer types, buildings and sizes. The program pays up to 70 percent of installation and equipment costs. Provided funds are available, customers can finance the remaining costs of the project for up to 60 months (typically 24) interest free on their electric bill using the Small Business Revolving Loan Fund.</p>
<p>Commercial and Industrial Multifamily</p> <p><i>Funded by Natural Gas</i></p>	<p>The C&I Multifamily Program provides comprehensive efficiency services for market-rate multifamily customers who reside in buildings with 5+ dwelling units. These coordinated services include energy assessments and incentives for weatherization and the replacement of heating and domestic hot water equipment and systems. The program’s services are offered for all types of multifamily properties.</p> <p>To streamline the delivery of program services, the Company designates a primary point of contact for the multifamily property who will manage and coordinate the services offered. The measures and services are offered through the Company’s existing Energy Efficiency Portfolio of C&I programs (C&I Retrofit) and Residential programs (EnergyWise, Income Eligible, Residential New Construction and ENERGY STAR® HVAC).</p>
<p>Midstream Initiative</p>	<p>The Midstream Initiatives are not a separate program offering but rather are included here given their contribution to the savings of the Retrofit and New Construction Program.</p> <p>Midstream Initiatives offer instant discounts to customers for the purchase of qualified, high efficiency products including luminaires, kitchen equipment, water heating equipment and high efficiency heating and cooling technologies at participating distributors.</p> <p>By offering discounts through distributors, the Company eliminates the need for individual customers to submit incentive applications which can be a barrier to participation.</p> <p>The Midstream Initiatives also reduce the cost of energy-efficient products compared to less efficient alternatives and encourages distributors to stock and promote high efficiency products.</p> <p>The Midstream Lighting Initiative’s savings and budget are included in the Retrofit Program and the Midstream HVAC and Food Service Initiatives are included in the New Construction Program.</p>

The Company's market sector approach is reflected in the four C&I programs. Within a given program, there are one or more vertical initiatives that are designed to deliver a custom-tailored solution or targeted approach to a particular market sector, customer or building type. The Company defines initiatives as a go-to-market strategy within a C&I program that promotes a subset of energy efficiency measures or services within the program and targets a certain market segment. For example, the Retrofit Program has a Grocery Initiative and Industrial Initiative that have identified particular market pressures, energy consumption patterns and energy-saving opportunities for these market segments.

These customized initiatives allow the Company to more effectively and efficiently secure savings from target customers. Please note that estimated energy savings, program budgets and participants for each initiative are included in the program-level totals. All initiatives support both electric and natural gas measures, unless otherwise noted or self-evident (i.e., lighting initiatives only cover electric measures).

Figure 1. Relationship between Programs and Initiatives



1.3 Program Description Structure

In order to streamline review of program information in the Annual Plan, the Company has adopted the following structure for each of the C&I programs:

- a. Description of offering
- b. Eligibility criteria
- c. Delivery
- d. Changes for 2025
- e. Other considerations/research.

Enabling strategies for increased program participation, improved customer experience and efficient program delivery are detailed in the Financing and Marketing sections. Workforce development is addressed in the main text and in the Cross-Cutting Programs section. A list of measures and incentives can be found at the end of this Attachment. In 2025, the Company plans to continue to engage in pilots, demonstrations, and assessments (see Attachment 7 for a detailed scope and list for each pilot, demonstration, and assessment proposed for the 2025 Annual Plan). Financial mechanisms structures are described in Section 6 and in Table 3 below.

Table 3. Financial Mechanisms Structure

Mechanism	Description
Customer Type	This section highlights the customer consumption in kWh or customer type for which the mechanism is best suited
Loan Size	Shows maximum loan size
Maximum Tenor	Shows the maximum length of time (term) for which a customer can borrow funds
Loan Volume	Shows the dollar volume of loans outstanding or the range of funds previously borrowed (or both)
Benefits to Customer	Describes the benefits of a mechanism to a customer
Limitations	Describes the limitations of a mechanism to a customer
2025 Actions	This area is included for the Efficient Buildings Fund and C-PACE (Commercial Property Assessed Clean Energy) as the Company is currently working with the Rhode Island Infrastructure Bank and other stakeholders on integrating these mechanisms
More Information	This area describes where more information can be found regarding the mechanism, such as numerical tables. This area may include additional information such as justifications for On-Bill Refinancing fund injections (natural gas) or On-Bill refinancing rightsizing (electric)
Relevant Notes	This area contains notes and will vary by mechanism

2. LARGE COMMERCIAL AND NEW CONSTRUCTION PROGRAM

2.1 Offerings

The New Construction Program offers incentives and technical assistance to promote and support high performance building design, building operation and equipment selection. The incentives and technical services offered are based on the projected energy savings performance of the building and are designed to encourage design teams, building owners and developers to build beyond the current Rhode Island program energy baseline. The technical assistance provided by the program varies from simple plan review and efficiency upgrade recommendations to complete technical blueprint reviews. Additionally, the program offers incentives to building owners and design teams for Zero Net Energy certification and verification and post-occupancy verification of energy savings.

The program incentivizes both new equipment at existing sites and new construction and major renovation projects. Section 2.2 describes the baselines and eligibility guidelines for new equipment.

In 2025, the Company will conduct a New Construction process evaluations to determine if additional engagement strategies could be instituted to influence and impact the design phase. Additionally, the Company will look to see what efficiencies or process improvements could be incorporated into the program offering to improve participation, and to learn if the program pathways, specifically the Energy Use Intensity/Zero Net Energy Ready pathway could benefit from redesign or simplified approach.

Currently, the Company offers two pathways for ground-up new construction or major renovation projects:

- Pathway 1: Energy Use Intensity / Zero Net Energy Ready
- Pathway 2: Streamlined / Systems

Pathway 1: Energy Use Intensity / Zero Net Energy Ready

This pathway focuses on high efficiency design as well as post-occupancy energy use intensity (EUI). EUI measures the total energy consumption (measured in kBtu) per square foot throughout a whole building. (e.g., a high-efficiency building will have a low EUI, whereas an inefficient building will have a high EUI). This pathway is being made available to buildings 20,000 square feet or greater whose design teams and building owners engage with the Company early in the schematic design and development process. For this pathway, the Company has developed specific EUI targets for several market sectors including libraries, offices, public safety facilities and schools (elementary and high school). The specific EUI targets help to benchmark buildings with similar end-uses, systems, and equipment. For other

building types, a site-specific EUI category will be available to ensure that any building type can participate in this pathway.

The Company has established EUI ranges for both Tier 1 and Tier 2 buildings. Tier 1 buildings are designed to achieve higher efficiency and are considered Net Zero Energy Ready, while Tier 2 includes high efficiency buildings that are designed to achieve savings relative to energy code and industry standard practice. By offering a range of EUIs rather than one specific target, the Company can encourage a wider range of building types to participate in Pathway 1. The pathway encourages additional savings by offering higher incentives for buildings that reach below the Tier 1 EUI targets. For example, a building with a Tier 1 EUI target of 30 will receive additional incentives if they realize an EUI of 25.

Pathway 1 offers comprehensive technical assistance and financial incentives for Zero Net Energy, Zero Net Energy ready and very low EUI projects. A Zero Net Energy building is an extremely energy-efficient building designed and operated to consume only as much energy as it produces annually. A Zero Net Energy Ready is defined as a building that could offset most or all the buildings annual energy use through a renewable energy system. And, as mentioned above, Energy Use Intensity (EUI) is the total energy use measured in kBtu per square foot. This pathway offers an optional verification incentive to measure building EUI post occupancy.

Pathway 2: Streamlined/Systems

This pathway is designed for smaller and simpler building designs and offers a variety of incentives and technical assistance services. The offering is available to buildings 20,000 square feet or greater regardless of when the design teams and building owners engage the Company. The program process requirements for this pathway are streamlined from the required documents to the technical assistance procedures. This streamlined offering encourages increased participation for simpler building designs.

Pathway 2 provides incentives based on individual energy-saving measures implemented and the Company utilizes a spreadsheet analysis tool to estimate energy savings and incentives early in the project. This pathway is especially appropriate for major renovation projects, such as tenant fit outs, and for customers who lack the resources or time to pursue an EUI-based approach.

Additionally, prescriptive and midstream rebates for installing energy efficient equipment and measures will be made available to buildings less than 20,000 square feet.

2.2 Large C&I New Construction Initiatives

2.2.1 Midstream Initiative

When “midstream” is referenced, the Company is referring to the practice of offering an incentive directly to a manufacturer or distributor of efficient equipment rather than offering an incentive directly to the customer through an application form and process after the sales transaction has been made. This allows manufacturers and distributors to sell the product for a lower price and makes the efficient option more appealing to a potential customer. For customers, the Midstream initiative offers them the ability to purchase high efficiency equipment without the burden of paperwork or waiting for reimbursement. The following Midstream initiatives are available to all C&I customers.

- **Midstream HVAC Initiative.** This initiative offers discounted premium efficiency HVAC equipment and controls at the point of sale at qualified distributors including air-cooled air conditioning and heat pumps systems, water-cooled air conditioning and heat pumps.
- **Midstream Gas Initiative.** This initiative offers discounted premium efficiency water heating equipment at the point of sale through qualified distributors. In 2025, as in past years, the initiative will include water heaters (indirect and on-demand), water heating boilers and condominium water heaters.
- **Midstream Kitchen Equipment Initiative.** This initiative offers discounted premium efficiency electric and natural gas kitchen equipment at the point of sale at qualified distributors. The Company currently offers more than nine different types of energy-efficient cooking equipment across both fuels.
- **Midstream Lighting Initiative.** This initiative is primarily focused on Retrofit projects and offers discounted luminaires, luminaires with controls, lamps, and controls at the point of sale from qualified distributors.

All Midstream initiatives follow a similar implementation and delivery process. Distributors sell products directly to consumers or relevant intermediaries and provide discounts at the point of sale. The distributor then submits data on the purchase and the Company pays the incentive to the distributor and conducts quality control visits for a percentage of installations. The Company collaborates with qualified distributors to target market efforts to relevant customers.

2.2.2 Customer Eligibility

The New Construction Program is divided into two main categories to address new construction target markets:

- **New Buildings, Additions, Major Renovations and Tenant Fit-Ups Pathway.** This category is designed for customers that are pursuing ground up new construction or major renovation projects. These types of projects traditionally involve some level of design and are governed by building and energy codes.
- **New Equipment and End-of-Life Replacements Pathway.** This category is designed for customers that are purchasing new energy consuming equipment or replacing equipment that has reached the end of its useful life. Customers are incentivized to purchase and install energy-efficient equipment. Typically, there is no design component to these projects. Baseline energy use is considered to be the energy code or industry standard practice where applicable and energy savings are calculated using the baseline. If equipment has reached the end of its useful life, this pathway calculates energy savings from new equipment against the current codes and standards baselines (instead of against the old equipment). This pathway works similarly to the “systems approach” described below, whether through prescriptive or custom pathways.

2.2.3 Implementation and Delivery

As referenced in Section 2.1, the New Construction Program offers two pathways for ground-up new construction or major renovation projects. The Company also offers additional enhancements, with the goal of improving the customer experience and in turn driving repeat participation from customers and design teams.

2.2.3.1 Pathway 1: Energy Use Intensity / Zero Net Energy Ready

For Pathway 1, the Company’s Energy Efficiency team reaches out to customers, owners and developers regarding new construction project opportunities. Over the years, several customers and design teams have become repeat participants. If the customer decides to participate in energy efficiency programs, the Company’s team engages with the customer project design team and facilitates a design charrette to establish customer project goals. Based on the project goals, an EUI target range is established, and a Technical Assistance vendor is engaged to model the baseline project and proposed design project.

Zero Net Energy Projects

The Company’s Energy Efficiency team must follow these steps for reviewing all potential Zero Net Energy projects:

- Vet the proposed project to ensure it meets basic New Construction Program requirements.
- Bring in a Zero Net Energy expert to assist the customer in assessing the project and identify services that may be needed to achieve the Zero Net Energy goal.

- Require the customer to engage a Zero Net Energy consultant, with the fee cost shared between the Company and the customer. The Zero Net Energy consultant is engaged from early in the project through the end of design development.
- Ensure the Zero Net Energy consultant provides a number of services including benchmarking EUI targets, conducting an energy charrette, performing load reduction analysis, and running HVAC selection analysis and model feedback.
- Require the customer to sign a Memorandum of Understanding (MOU) that outlines the EUI target, the post-occupancy EUI verification plan and other incentive details.
- Require the customer to sign an application that includes the energy efficiency measures and systems agreed upon. By signing the MOU and application, the customer commits to implementing the efficiency recommendations and accepts the associated incentives.
- Ensure a Company engineer creates a Minimum Requirements Document as part of the application process.
- Remain engaged during the design development and construction process to ensure energy efficiency measures and solutions are incorporated in the building project to achieve the EUI targets.
- Perform a visual inspection and review all construction design submittals after project completion. If any HVAC controls or variable-load energy efficiency measures have been incorporated in the project, the Company requires field measurements to verify operation standards, as described in the Minimum Requirements Document.
- Monitor the EUI measurements over a prescribed period and under the prescribed conditions before final incentive payment is made based on the savings achieved.
- Offer an optional verification incentive to assist customers in identifying and correcting issues that may arise in the first year of occupancy to help achieve the EUI. Verification documents must be submitted to obtain the optional verification incentive.

2.2.3.2 Pathway 2: Streamlined/Systems Approach

The Company's Energy Efficiency team works with and approaches customers, building owners and owner representatives regarding new construction or major renovation projects. If a customer decides to move forward with a project, they can choose to: (1) select a vendor of their choice to install energy efficiency measures or (2) to develop the project with technical assistance from the Company's Energy Efficiency team. Once the measures are installed, the Company performs an inspection and reviews

design submittals. Once there are documented savings from the project, the customer can receive the incentive.

2.2.4 2025 Program Enhancements and Changes

Regarding building codes, during the 2023 session, the Rhode Island General assembly passed legislation requiring the state to adopt the 2024 International Energy Conservation Code (2024 IECC) within 3 months of its release. Based on conversations with staff at the International Code Council (ICC), the 2024 IECC is expected to be released in late 2024. The Company's standard practice is to not update a new construction baseline building code mid-program-year, and so the 2024 IECC will be used to update baseline assumptions for the 2025 program year. The IECC 2024 impacts are most likely to impact New Construction Lighting Control Dimming and Occupancy sensor related savings. Additionally, the Appliance Standards and the ISP Kitchen Study will impact Midstream HVAC and Food Service measures. However, the Company has added a number of HVAC and Food Service measures to the Midstream portfolio which will help to offset some of the potential impacts due to IECC 2024, the Appliance Standards and the ISP Kitchen Study. These measures include electric demand control kitchen ventilation, radiant conveyor toasters, <40-watt hot food holding bins, single burner induction cooktops, induction soup wells, steam tables, high volume low speed fans, high-efficiency evaporating units, and fan energy index rated fans.

The Company will also conduct a New Construction process evaluation beginning in the summer of 2024, with the findings from this evaluation likely impacting 2025 program developments. The evaluation will look to understand how the Company can improve on early engagement strategies with architects, developers, and design teams to influence energy efficiency. The evaluators will conduct a series of interviews with participants, non-participants, and partial participants to document program barriers and to develop potential strategies for improving program delivery. Additionally, the Company plans to understand how the simplified new construction process (e.g., moving from 4 pathways to 2 pathways) has been received by the design community and continue to find additional enhancements to increase participation and engagement.

2.2.5 Other Considerations

2.2.5.1 Customer and Vendor Feedback

The Company regularly solicits customer and vendor feedback through its Energy Efficiency team's interactions with customers, design teams, and implementation vendors. These entities provide insights on what types of technical assistance and design support motivate builders, architects, and customers to adopt high efficiency measures and design practices, as well as possible opportunities to streamline the delivery of the program.

In discussing the New Construction Program with our implementation vendors, the Company found that improvements to our program delivery and engagement strategies could yield additional savings and participation. The Company is currently in the process of conducting a New Construction progress evaluation, the results of which will be used to formulate 2025 program improvements and modifications.

3. LARGE COMMERCIAL RETROFIT PROGRAM

3.1 Offerings

The Company has several pathways by which customers can participate in the Retrofit program for energy efficiency in existing buildings.

- **Downstream Application Process:** Customer can work with a RI Energy Sales Representative, Project Expeditor (“PEX”), or other vendor to install energy efficiency equipment through a **Prescriptive application** for commonly installed measures (e.g. LED with controls) or a **Custom application** for any energy improvement not covered through the Prescriptive pathway; or
- **Midstream Lighting Initiative:** This offering is described in Section 2.2 under the New Construction Program’s Midstream initiatives, however lighting savings for this initiative are included within the Retrofit Program.

The Retrofit program also offers initiatives targeting specific market segments, such as the Grocery and Industrial Initiatives that focus on the specific needs of that customer type. The Company also serves some of its largest customers through Strategic Energy Management Partnerships that are described in more detail below. Although sector-specific initiatives are helpful in addressing customer needs that are shaped directly by the industry and geographies in which the customers operate, the Company recognizes that this approach does not cover the Company’s entire C&I customer base. Therefore, the Company provides a number of energy efficiency solutions that are oriented towards specific technologies and trainings.

The following areas are included in the Retrofit program but are linked to specific technologies or trainings, as opposed to specific market sectors:

- Building Operator Certification training
- Equipment & System Performance Optimization Initiative
- Performance Lighting Initiative

- Customer-owned streetlights
- Company-owned streetlights
- Combined Heat and Power and fuel cells

3.2 Initiatives Primarily Targeting Large Commercial Retrofit

3.2.1 Industrial Initiative

The Industrial initiative is available to all manufacturing and industrial customers and provides incentives and technical assistance services including free facility audits, project management, installer and customer education sessions, production systems and line efficiency coordination. In addition, the Company provides support in identifying and implementing process-related improvements that increase the efficiency of business processes and energy consumption.

Historically, the Industrial initiative has primarily targeted large C&I customers to ensure economies of scale. In 2025, the Industrial initiative will continue to conduct outreach to customers in the 200-to-400-kilowatt (kW) range to encourage greater participation by medium-sized industrial facilities. The Company's intent is to improve parity among C&I customer sizes and capture projects with rapid paybacks such as variable frequency drive installations and enhanced controls.

The Industrial initiative helps diversify the Electric Portfolio, with 66 percent of electric savings from January 2016 through July 2022 deriving from non-lighting measures including process equipment and controls (30 percent), compressed air (16 percent), HVAC (7 percent), and motors and drives (5 percent). For the Natural Gas Portfolio, the initiative contributes significant natural gas savings from process improvements.

3.2.2 Grocery Initiative

The EnergySmart Grocer initiative serves commercial customers who sell food at the retail or wholesale level. The initiative offers technical assistance, project management, targeted incentives, financing, and education sessions for installers and customers. This initiative primarily delivers electric savings through lighting and refrigeration upgrades. In 2022, the vendor's compensation structure was altered to encourage greater emphasis on non-lighting measures.

The EnergySmart Grocer initiative has been in place for roughly a decade. While low-hanging opportunities related to refrigeration and lighting have been largely saturated, some additional opportunities remain – especially among late adopters, although these customers are often more difficult to engage. The initiative now also focuses on O&M measures submitted through the ESPO

initiative, as well as advanced controls measures and leak detection and repair. In 2025, the Company will further investigate natural refrigerants such as CO₂, in response to hydro-fluorocarbon regulations.

3.2.3 National and Regional Restaurant Initiative

The Serve Up Savings initiative serves regional and national restaurant chains. Local restaurants with multiple locations within Rhode Island are served by the Small Business Direct Install Program. For franchisees, the initiative offers incentives, project management, technical assistance, and collaboration to develop an integrated package of efficiency measures that work for franchisors.

3.2.4 Strategic Energy Management Partnerships Initiative

The Strategic Energy Management Partnerships (SEMP) initiative is available to the Company's largest C&I customers. This initiative targets customers who commit to achieving deeper energy efficiency savings, are motivated by corporate and institutional sustainability goals and who have the in-house expertise to make organizational changes and make multi-year efficiency plans. Participating customers agree to specific savings targets that are memorialized in the form of a non-binding Memorandum of Understanding.

The initiative provides customers with customized support and offers them flexibility to address their corporate or institutional business needs while helping them meet sustainability, carbon reduction and efficiency goals. The SEMP Initiative helps customers think long term about their energy use, needs and equipment. This initiative allows a tailored approach to the site's or facility's specific needs and results in more comprehensive energy savings than traditional program offerings.

The Company has 13 existing SEMP agreements in place with customers that operate in a number of different market sectors including chain restaurants, colleges and universities, health care, industries and municipal and state government.

A dedicated SEMP Program Manager facilitates implementation across all the energy efficiency and customer programs, helping to reduce SEMP participants' transaction time. The Program Manager tracks progress towards goals and facilitates regular meetings and facilitates delivery of program resources to support emerging technologies and priorities.

Rhode Island Energy and the SEMP participants typically re-negotiate the SEMP MOU every three years, which can also include employee outreach for residential programs, neighborhood outreach for small business programs and electric transportation offerings and programs.

The Company will continue to leverage its SEMP partnership with the state and the Office of Energy Resources Lead by Example program to achieve energy savings goals with public entities, including state agencies, state colleges and universities, and municipal buildings.

3.2.5 Building Operator Certification Training

The Company sponsors Building Operator Certification (BOC) training for facility engineers and maintenance staff. BOC training courses help operators make their buildings and facilities more comfortable and efficient. Many BOC participants also become aware of the C&I programs and actively seek out efficiency solutions for their facilities. As a result of these trainings, program participation and energy savings increase in the C&I programs. The Company will support two BOC training courses in 2025. Each course targets 22 participants.

Rhode Island Energy will pay up to 50% tuition reimbursement to one facilities management professional per commercial customer facility within a five-year period provided that the facilities management professional graduates from a Building Operator Certification (“BOC”) Level 1 course and commercial customer facility meets the requirements. Tuition reimbursement is available for facilities management professionals who (i) graduate from the BOC Level 1 course; (ii) are Rhode Island Energy commercial customers or employed by one of those commercial customers; and (iii) have not taken the BOC Level 1 course within the last 5 years. Facility management professionals must work at a commercial customer facility in a facilities management position, e.g., as a facility manager, energy manager or in a role to reduce building-wide energy consumption. The commercial customer facility must have a minimum of 50,000 sq. ft. of conditioned building space. Rhode Island Energy may, in its sole discretion, modify or terminate this offer for tuition reimbursement at any time without notice. Reimbursements are provided to companies or organizations and cannot be dispersed to individuals only.

3.2.6 Equipment & System Performance Optimization Initiative

The Equipment & Systems Performance Optimization (ESPO) initiative helps C&I customers optimize the efficiency of their HVAC, refrigeration, compressed air, and steam systems. Energy efficiency solutions include operations and maintenance (O&M), retro-commissioning and monitoring-based commissioning. The initiative is available to all C&I customers averaging greater than 2,000 building operating hours a year. This initiative helps customers capture energy savings and may be delivered through other initiatives (e.g., SEMP Initiative or Industrial Initiative).

The ESPO initiative covers several technologies and end-uses identified in the Market Potential Study, including boilers (steam and hot water), energy management systems, refrigeration, rooftop units, scheduling and set point optimization, and waste energy recovery. The ESPO initiative provides multiple pathways for participation depending on a customer’s energy-saving opportunities, building characteristics and the sophistication of existing control systems. These pathways are detailed below.

3.2.6.1 Low-Cost Tuning Pathway

This pathway offers prescriptive incentives to customers for making common tuning improvements to building equipment and systems. These improvements are often identified through facility audits or retro-commissioning efforts. Prior to a customer or outside party receiving an incentive for installation, pre-approval must be obtained from the Company. In an effort to streamline this pathway, the Company has developed guidelines for documentation baseline conditions to enable program participants to implement some low-cost tune-up measures without pre-approval.

The Low-Cost Tuning pathway offers incentives to customers whose baseline conditions and proposed building upgrades are documented through a simple data input which is used to determine savings at the measure level. Only selected compressed air, HVAC, refrigeration, and steam measures are eligible for the pathway's prescriptive incentives. Customers who are participating in the other ESPO Initiative pathways (see below) may elect to apply for Low-Cost Tuning pathway incentives, eliminating the need to submit custom savings calculations.

3.2.6.2 Targeted Systems Pathway

The Targeted Systems pathway offers customers a custom retro-commissioning approach. The pathway provides an in-depth investigation of specific processes or end-uses. Investigation funds are available for System Tuning and incentives are offered per unit of savings for measures implemented through this pathway, with higher incentives available for meeting certain site-specific thresholds.

3.2.6.3 Whole Building & Process Tuning Pathway

The Whole Building & Process Tuning pathway delivers a comprehensive retro-commissioning approach for customers with a functional control system in place and whose electric usage is greater than 5 million kWh annually. The pathway offers investigation funds for system tuning and whole building and process tuning. Incentives are offered per unit of savings for measures implemented through this pathway, with higher incentives available for meeting certain site-specific thresholds.

3.2.6.4 Monitoring-Based Commissioning Pathway

The Monitoring-Based Commissioning pathway is similar to the Targeted Systems and Whole Building & Process Tuning pathways; however, this offering assumes that identified measures and savings will persist for at least three years. Monitoring-based commissioning is a process designed to maintain and continuously improve building performance over time. This is achieved through building monitoring and analysis of large amounts of data. Known as real-time energy management, a monitoring-based commissioning approach requires the installation of a software platform and monitoring equipment to capture and analyze operational data from a building or facility's building automation system.

Larger systems can provide continuous monitoring of hundreds of control points within a building and provide building operators with fault detection and diagnostics capabilities. This allows building operators to identify equipment that is not operated as intended due to many factors including faulty programming, systems in need of maintenance, incorrect settings (e.g., scheduling or setpoints) and even damaged equipment.

3.2.6.5 Building Analytics Pathway

The Building Analytics Program was introduced in late 2022, the offering funds system set-up costs for monitoring-based commissioning systems from a closed Qualified Service Provider list. This offering was designed to address historical barriers to monitoring-based commissioning adoption. The Building Analytics pathway helps customers identify sites that would benefit from monitoring-based commissioning continuous monitoring, fault detection and diagnostics. The Company provides upfront support for the installation of systems that produce unknown savings and vets best in-class providers and makes sector-specific referrals regarding which Qualified Service Provider can best serve the customer's business needs.

The Building Analytics pathway helps improve measure persistence through a focus on long-lasting measures (e.g., physical repairs and reprogramming of control systems), training for facilities staff and long-term service contracts. There is a limited pool of Qualified Service Providers for this niche field. The pathway helps customers minimize their program transaction costs and the providers give upfront guidance regarding required documentation and savings calculations. In addition, the providers deliver ongoing service analysis to help customer facilities staff interpret monitored-based commissioning system output and improve system functionality.

3.2.6.6 Additional ESPO Offerings

The Company has developed a guidebook that standardizes the process of completing and documenting retro-commissioning savings calculations and classifying different energy efficiency measures; efforts that have presented a significant challenge for prior ESPO Initiative participants and created an administrative burden for program implementation staff. This guidebook assists customers and trade allies who participate in the Monitoring-based Commissioning, Targeted Systems and Whole Building & Process Tuning pathways by answering common questions and eliminating points of confusion.

The Market Potential Study found that energy management systems realize the second-highest savings among electric non-lighting measures. While the ESPO initiative is designed to improve the performance of existing equipment and systems, the monitoring-based commissioning and tuning investigations conducted very often lead to the installation of new energy management system equipment or the

reprogramming of controls.³ The ESPO initiative also helps municipal customers improve the efficiency of unit ventilators and other gas measures located in school classrooms and other occupied zones (i.e., not heating and cooling equipment located in mechanical rooms) as this equipment frequently needs significant tuning or repairs.

3.2.7 Performance Lighting Initiative

This initiative is open to all customers with a commercial account. All projects, for both existing and new construction projects, that qualify under the Performance Lighting Initiative must meet the following criteria:

- Average a minimum of 2,000 lighting operating hours per year,⁴
- Provide maintained light levels in accordance with the recommendations of the Illuminating Engineering Society of North America's 10th Edition Lighting Handbook or supporting Design Guides, and
- The customer must submit a copy of the manufacturer's technical specification sheets (cut sheets) for each type of eligible equipment to be purchased.

Performance Lighting Initiative incentives are offered in two tiers:

- Tier 1: Performance lighting—LED lighting with luminaire level lighting controls or wirelessly accessible controls, and
- Tier 2: Performance lighting—LED fixtures with networked lighting controls system.

3.2.7.1 Lighting Designer Incentives (LDI)

The initiative offers lighting design incentives to design teams for qualifying projects in both new and existing buildings. The Company maintains a list of qualified lighting designers, engineers and architects who have demonstrated at least five years of lighting design experience. Lighting designers are not allowed to sell products for projects where they receive lighting design incentives. The Company markets the program to the new construction and design community.

Lighting designers must have at least one of the following qualifications to earn the incentive:

³ The reprogramming of controls is treated as an energy management system for C&I program purposes and is either assigned to the New Construction Program or Retrofit Program, depending on the situation.

⁴ This criterion is before controls are implemented.

- **Lighting Certified.** This is granted to those designers who successfully complete the NCQLP (National Council on Qualifications for the Lighting Professions) Lighting Certification Examination.
- **Certified Lighting Energy Professional.** This is a certification awarded by the Association of Energy Engineers.
- **IALD Professional.** This is a professional membership status for the International Association of Lighting Designers.
- **Certified Lighting Designer.** This is a certification sponsored by the International Association of Lighting Designers. The guidelines for this certification are similar to those for the ESPO lighting design incentive.

The incentive must go directly to the lighting design team to fund their efforts to achieve lighting energy savings while maintaining quality lighting design. These incentives have been recalibrated to encourage projects to achieve higher tiers in Performance Lighting. The lighting design incentive must equal 20 percent of the customer's lighting incentive for Performance Lighting Tier 2 projects, 15 percent of the incentive for Performance Lighting Tier 1 projects and 10 percent of the incentive for all other projects. The Company has established a \$15,000 maximum incentive per project.

In 2024, the Company worked with the EERMC consultant team, evaluation team, and others to determine the impact of the mercury ban legislation on the 2025 Plan C&I savings claimed through lighting.

3.2.9 Combined Heat and Power Initiative

Combined heat and power (CHP) is the simultaneous production of electricity and thermal energy from a single fuel source. The CHP initiative offers incentives and technical assistance to customers who install new construction and retrofit installations.

Eligibility:

To qualify for a Combined Heat and Power (CHP) energy efficiency incentive, a proposed project must meet the following conditions:

- Host customers must be in the franchise service area of the Company.
- Both new construction and retrofit installations are eligible; in either case, the baseline system must be documented.
- The CHP system must meet the applicable efficiency requirements listed in Table 4. System efficiency is calculated as Annual Useful Energy/Annual Natural Gas Input where:

*Annual useful energy = Net Annual kWh*3,413/100,000 + utilized thermal output (therms)*

Annual natural gas input = CHP gas input in therms (HHV)

- The equipment to generate electricity may be a combustion-based system (internal combustion engine, gas turbine engine, steam turbine), or a fuel cell system, and the facility will capture waste heat for use in the facility.
- CHP projects must reduce carbon emissions related to overall site energy use by a minimum of 40%, which may be achieved through other simultaneous EE installations.
- The project must pass cost-effectiveness screening.

In order to support Rhode Island’s climate objectives while still promoting CHP, for 2025 the Company proposes the following changes which are reflected in this plan.

- Total combustion-based system efficiency must be greater than or equal to 60%
- Back pressure and extraction turbines are no longer eligible
- Eligibility for incentives will be available to only those CHP projects that reduce carbon emissions related to overall site energy use (including source generation, even if out of state) by a minimum of 40%; the amount of carbon reductions may be achieved through other simultaneous energy efficiency installations to achieve the site carbon reduction goal.

Offerings:

If a project has been shown to be cost-effective, presents no capacity or reliability concerns, and has met the required eligibility criteria, it will be eligible for a non-variable incentive.

Table 4. Determination of Non-Variable Incentive Level for CHP Projects

System	Incentive
Fuel Cell	\$500 per net kW
Combustion-Based CHP with total system efficiency ≥60%	\$600 per net kW

CHP (fuel cell or combustion-based) that utilizes more than 25% opportunity fuels, renewable natural gas, or biogas as the fuel source	\$750 per net kW
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For the purpose of determining the non-variable incentive level, the Company has defined opportunity fuels, renewable natural gas and biogas as gaseous fuels derived from the biological breakdown of waste.

The CHP system costs must include: all system, auxiliary, and interconnection costs, and CHP maintenance. If the CHP system is receiving a tax credit or other financial arrangement that reduces the cost of the CHP project to the customer without distributing that cost reduction as an additional cost to other electric or gas ratepayers, it may be treated as a credit against the cost of the CHP project.

The CHP incentive package cap from the Company will be 70% of the total project cost inclusive of the installation incentive, incentives related to gas service, present value of any performance incentive, system reliability procurement incentive, and any other incentives related to the transaction. For new construction installations, the incentive cap will be 70% of the incremental cost difference between the cost of what would have been done absent the CHP project and the cost of the CHP project. In the event the incentive is greater than 70% of the total project cost, the incentive amount will be reduced to an amount equal to or less than 70%. A minimum of 20% of the energy efficiency incentive payment will be held until commissioning is completed.

An additional optimal operations and maintenance energy efficiency incentive capped at \$20/kW-year (\$1.66/kW-month) and \$50/kW-year (\$4.16/kW-month) for systems utilizing biogas will be offered as part of the incentive package for any project with a net output greater than one MW for a period of up to 10 years. No payments will be made until the unit is in operation and provides demonstrated load reduction. The optimal operations and maintenance energy efficiency incentive will be made semiannually based on actual metered load reduction. Load reduction performance will be based on the net daily metered kW output of the system during ISO-New England's on-peak periods averaged over each six-month period.

The optimal operations and maintenance energy efficiency incentive provides the customer with a post-commissioning incentive for maintaining or increasing the total system efficiency of the CHP system. This helps ensure the system is operating efficiently and that the system capacity savings are in-line with those bid into the ISO-NE Forward Capacity Market.

The customer will repay a portion of the incentive to the Company if the project is abandoned, removed from the premises, sold, or otherwise no longer utilized as the primary source of heat and electricity by the customer, within 10 years from the date of final incentive payment authorization. The repayment

will be the energy efficiency installation incentive times the number of years remaining until the required ten years of service divided by ten.

Identification and Recruitment of Qualified CHP Projects:

The Company currently works with vendors and customers to identify CHP opportunities at customer locations. The Company promotes CHP systems and outlines the process for qualification and implementation of CHP facilities through the Company's energy efficiency programs. The Company has sales and technical staff that are the primary points of contact for customers and vendors with potential CHP projects. The Company will continue to communicate criteria for CHP assessment and will communicate to vendors so that their presentations to customers will be more consistent with Company technical assistance requirements.

Installation of Incremental or Additional Energy Efficiency Measures for Customers who have Previously Installed CHP:

The Company will individually review the installation of proposed incremental energy efficiency measures for customers who have previously installed CHP on site or who are adding additional energy efficiency equipment that might affect the performance of an existing CHP unit. The Company will carefully categorize and protect the benefits attributed to previously installed CHP projects, while at the same time foster any additional cost-effective energy efficiency measures that further reduce total energy use.

There are two types of project categories. The first category is "CHP Optimization" and involves measures which are installed with the purpose of increasing the output or operating efficiency of the existing CHP or other distributed generation (DG) unit; for example, the addition of combustion air precooling on a gas turbine CHP unit. In order to maintain compliance with ISO-NE's FCM rules, such projects will be tracked in the FCM, if applicable, as incremental output of the associated DG facilities. The second category is "Incremental EE", which includes "traditional" energy efficiency measures installed with the intent of reducing energy consumption in sites that have previously installed CHP. These measures may or may not affect CHP performance and output.

For locations where an existing CHP unit covers a large percentage of the total load at the facility, additional energy efficiency savings measures installed may result in lowering the output of the CHP system instead of a load reduction on the Company's electric grid. Therefore, to assess savings that can be claimed by the energy efficiency programs, hourly load mapping may be required to accurately assess the net savings on the Company's electric and gas distribution systems, which will be assessed at the Company's electric and/or gas revenue meters at the customer's site. In cases where a typically electric measure (like lighting) reduces the electric load enough to require reducing the CHP output,

gas savings may result from a normally electrical energy efficiency measure and could be claimed in the Gas utility DSM programs.

Scoping Study/Qualification:

The Company will offer technical assistance on CHP projects beginning with a preliminary scoping of a potential site. This scoping will be based on an evaluation of:

- Monthly (or hourly, where available) electric, gas, and other fuel usage
- All site-specific forms of thermal energy end-uses
- Coincidence of electric and thermal loads
- Proposed project cost
- A high-level analysis of the fuel resources needed for the project and any actual or anticipated fuel capacity constraints and/or actual or anticipated fuel reliability issues

This scoping will determine if further study of the site appears favorable, i.e., provides CHP operating hours and load factors that would be an appropriate application of CHP.

Technical Assistance Study:

Assuming a favorable screening during preliminary scoping, Rhode Island Energy will offer to co-fund a TA study of CHP with the customer. The TA study will be performed by an independent, qualified engineering firm. This study will assess thermal and electric loads, propose an appropriate CHP size and technology, compile a budget cost estimate, and identify potential barriers to the technology, etc. Rhode Island Energy typically funds 50% of the cost of any TA study conducted by a preferred vendor selected by the Company, and up to 50% of the TA for other qualifying independent engineering firms. Any TA study by a CHP vendor or its representative which fulfills the CHP TA requirements may be accepted, though no co-funding will be provided. The TA study must be completed, submitted, and approved by the Company prior to implementation. The TA study must include an assessment of the likely on-peak kW reduction from the CHP given the proposed nameplate rating, the net CHP output after subtracting parasitic loads associated with the CHP, projected availability based on anticipated site-specific operating characteristics, performance data on other similar units, and a greenhouse gas analysis that estimates the change in greenhouse gas emissions expected from the project and a statement that informs the customer of the state goal to reduce greenhouse gas emissions by 45% below the 1990 levels by 2030; 80% below 1990 levels by 2040; and net-zero by 2050. (On-peak kW reduction = Net Output x Availability x % Loaded.) This kW load reduction should be used in the benefit-cost screening.

As indicated in the offering section, incentives are only available for CHP projects that reduce the carbon footprint of the host facility by more than 30%. To determine the customer's carbon footprint the Company will utilize the EPA Greenhouse Gas Equivalencies Calculator and the EPA CHP Energy

and Emissions Savings Calculator. The TA study of the CHP proposal could include an assessment of energy efficiency measures that would help meet that objective. These opportunities themselves will be eligible for energy efficiency incentives and will help make sure that the CHP facility is correctly sized for the facility's needs and will avoid creating a disincentive for future load reduction at the site.

Cost-Effectiveness:

The screening for cost-effectiveness specific to CHP is included in the Rhode Island Test detailed in Attachment 4. The cost-effectiveness test for CHP includes economic benefits, as specified by the Least Cost Procurement statute. As requested by the Division, given concerns described in Attachment 4 over the inclusion of economic benefits, a sensitivity cost-effectiveness analysis will be performed excluding economic benefits for CHP systems with a net output of one MW or greater. These analyses will be provided as part of the notification process described elsewhere in this section for projects of one MW or greater.

Other Contract Terms and Guidelines:

In order to ensure proper operation of the CHP facility and persistence of energy savings, the following terms and guidelines will be required:

- As part of the TA study, a minimum requirements document (MRD) will be developed. This MRD will contain engineering hardware and operational specifications that directly affect the savings estimates developed in the TA study. Compliance with the MRD will be necessary to receive rebate payments.
- All systems greater than one MW will require electric, thermal and gas metering for commissioning and monitoring of system efficiencies.
- The project must be commissioned. Commissioning is a process following installation whereby a third party verifies that the project is installed and operating as detailed in the TA study and MRD.
- The customer must sign and produce a contract for O&M services through the first planned major overhaul of the CHP unit after post installation commissioning. On-going O&M contracts for a minimum of 10 years from project commissioning are recommended.
- Customers applying for interconnection of a CHP systems must not operate the unit until they receive the authorization to interconnect from the Company.
- kW-demand savings achieved via the electric energy efficiency programs, including CHP, will continue to be reported by the Company to ISO-NE as Other Demand Resources (ODR) and the revenue generated will be used to fund future energy efficiency projects through the Company's programs.

Qualification:

The cost of the project will be provided by a design/build or general contractor experienced with CHP projects and revised as necessary.

Attribution of CHP Energy Savings to the Company:

For CHP projects one MW or greater in size that meet the eligibility criteria, 100% of the project savings shall be attributed to the energy efficiency programs. For CHP projects smaller than one MW, the Company shall use the latest net to gross adjustments determined by impact evaluations conducted on the RI CHP programs. These evaluations shall be conducted at least once every five years.

Notification Process:

The Company shall inform the DPUC, OER, and EERMC of any CHP project with a net output of one MW or greater (where net is the nameplate MW output minus CHP auxiliary kW). The notification shall occur after the cost benefit screening and before the offer letter is presented to the customer. For CHP projects with a net output of one MW or greater, the Company shall submit the following documents for review by the Division:

Documentation demonstrating that the project would not move forward without energy efficiency technical assistance and/or incentives. The documentation shall justify its finding with the following evidence:

1. A letter signed by a senior executive or site operations manager stating that the project would not move forward without the energy-efficiency technical assistance and incentive;
 - a. Documentation from the customer on all relevant leases, agreements or commitments related to the CHP system or incentive offer;
 - b. Estimated project budget
2. A complete benefit cost analysis for the CHP project using the Rhode Island Test, as well as application of this test applying sensitivities related to the removal of economic benefits
3. A report including a natural gas capacity analysis that addresses the impact of the proposed project on gas reliability; the potential cost of any necessary incremental gas capacity and distribution system reinforcements; and the possible acceleration of the date by which new pipeline capacity would be needed for the relevant area.

For any proposed CHP project greater than one MW:

1. The Company will submit a project description to the Division, providing all the pertinent details relating to the project.
2. The Division may submit information requests to the Company at any time after receipt of the project description. The Division may also submit follow-up data requests, as needed.

3. The Company shall respond to all information requests as soon as reasonably possible, but no later than fourteen days from receipt of information requests, unless the Division grants an extension.
4. The Division will make all reasonable efforts to communicate decisions around the provision of a notification of support within thirty days of the receipt of the last set of information request responses received from the Company.
5. To the extent that additional review time is required, the Division will provide notification to the Company.
6. If at the end of fifty days from the date the Company provided the project description to the Division, the Division has not provided to the Company its opinion of support or opposition to the project, the Company retains the right to make a filing with the Commission seeking approval of the CHP incentive. The Division retains its right to take any position on the project it deems appropriate and shall not be prejudiced by the fact that it did not provide an opinion to the Company within the fifty-day period.

Even if the Division provides its opinion to the Commission that the Division supports the CHP project, the Company must file a notification with the Commission, setting forth the pertinent facts relating to the project. If (i) the Commission takes no action within thirty days and (ii) the Division or any other party has not objected to the proposed project, the project will be deemed approved. If the Division or any other party objects, the Commission will set the matter for hearing.

Customer and Vendor Feedback:

Stakeholders, including vendors and installers, provided feedback at the 2024 Rhode Island Annual CHP Public Meeting.

Participation and Savings:

Due to the high capital cost and technical requirements of installing CHP, there is a very long lead time for a successful installation. With the small numbers of projects and wide ranges of possible project sizes, the Company anticipates substantial variability in MW realized in any given year. Due to the high capital cost and technical requirements of installing CHP, there is a very long lead time for a successful installation.

The Company commits to providing an updated estimate of projects in the current-year pipeline in each annual Energy Efficiency Plan and reconciliation filing to the PUC going forward.⁵ Direct notification shall be sent to the Division of Public Utilities & Carriers, the Office of Energy Resources, and the Energy

⁵ Other project information such as Name, Approximate Size of CHP (kW and Net Lifetime MWh), Location, and Current Status (Scoping, Study, Notification Process, Under Construction, Post-Inspection or Commissioning), may be provided depending on the state of advancement of CHP projects.

Efficiency and Resource Management Council via email whenever a CHP project with a net output of one MW or greater is added, removed, or updated after the Technical Assistance Study and before the offer letter to the customer.

3.3 Eligibility

The program serves the needs of existing buildings in their pursuit of lower energy consumption. All C&I customers are eligible for the Retrofit program.

3.4 Implementation and Delivery

The Retrofit program offers customers a variety of pathways to participate. Typically, a Company sales representative is assigned to cover any large C&I account, defined as a customer with at least 1.5 million kWh or 100,000 therms of annual energy usage, schools, municipalities, and national accounts. The general customer journey through the Retrofit program is:

- A facility audit or walk-through by the Company, customer or a third-party vendor identifies one or more energy efficiency opportunities.
- In most cases, especially custom measures, the Company provides an offer letter committing to a specific incentive and laying out the project's requirements. The customer signs and submits the offer letter.
- Once the energy efficiency measure is implemented, the customer notifies the Company. The Company's staff or vendors (often engineers) verify that the measure has been implemented in accordance with project requirements.
- Company staff (administrators, engineers, and sales staff) work with the customer to ensure complete documentation and to pay the incentive.

Prescriptive Application

Customers can complete prescriptive applications by printing or submitting them [online](#). Prescriptive incentives are available for a wide variety of standardized energy efficiency measures with "deemed" savings values, such as lighting equipment, air compressors, variable speed drives and steam traps.

Midstream Process

The Midstream initiatives offer instant discounts (i.e., incentives) to customers for the purchase of qualified, high efficiency products including luminaires, kitchen equipment, water heating equipment and high efficiency heating and cooling technologies at participating distributors. By offering discounts through distributors, the Company obviates the need for individual customers to submit incentive applications, a significant barrier for non-managed and smaller customer accounts. Customers no longer need to submit applications for incentives, which drives far greater program participation and more equitable distribution of incentive funds. The Midstream initiatives impact the market by reducing the cost of energy-efficient products compared to less efficient alternatives and by encouraging distributors to stock and promote high efficiency products. Note: The Midstream Lighting initiative's savings and budget are captured within the Retrofit Program and the Midstream HVAC and Food Service initiatives are captured within the New Construction Program.

Custom Application

A Company sales representative or project expeditor assists customers and their vendors with the completion of the Retrofit program's custom applications. These are applications for the installation of any energy efficiency measure not incentivized through the Prescriptive or Midstream Initiatives. A custom measure typically requires a Minimum Requirements Document that provides details regarding project guidelines and engineering specifications. Custom measures also require detailed savings calculations completed by a combination of customer, vendor and Company staff. For some projects, additional post-installation monitoring must be completed prior to incentive payment to ensure projects perform in accordance with the Minimum Requirements Document.

Project Expeditors

The Company utilizes project expeditors to provide turnkey services for Retrofit and New Construction program projects. A project expeditor is an authorized vendor who serves as a customer's main point of contact and personal guide to energy cost savings. Several project expeditors work closely with the Company's account management team to evaluate energy efficiency opportunities and determine incentives. A project expeditor can connect large C&I customers with the latest energy technology solutions and savings on equipment including:

- Lighting and lighting controls,
- HVAC efficiency improvements,
- Energy management systems,
- Variable speed drive upgrades for fans, motors, and pumps in HVAC, refrigeration, and other systems, and
- Gas heating and hot water system upgrades,
- Compressed air solutions, including air compressors, dryers, drains and engineered air nozzles.

3.5 2025 Program Enhancements and Changes

Building Analytics Initiative

In 2025, the Company will scale up the Building Analytics Initiative to help customers optimize the performance of HVAC equipment and other systems. The Building Analytics Initiative launched in 2022, with the selection and onboarding of Qualified Service Providers, finalization of program materials, and initial outreach to customers. In 2024, outreach and system installation are expected to ramp up. Although it often takes a full year after system installation to achieve significant customers savings, therefore we expect to see increased savings from this offering beginning in later 2024 and into program year 2025.

Technical Processes

In 2025, the Company will continue to deploy and leverage newly developed prescriptive and custom energy savings tools and calculators for specific measures, such as the Heat Pump Hot Water Heater calculator, the weatherization tools (both prescriptive and custom express), the Energy Management System prescriptive tool, and the redesigned of the prescriptive Steam Trap. The Company expects all these tools and calculators will yield savings in 2025.

Additionally, the Company will continue to utilize a data-driven approach to increasing customer participation in the commercial and industrial sectors. This includes analyzing customer consumption data (kWh, peak load, and therms) and past energy efficiency participation to better target customers, especially non-participants and customers with scheduling inefficiencies. The Company will leverage Energy Profiler Online and customer energy reports to determine which customers have scheduling inefficiency and then to follow-up with specific outreach strategies (individual engagement, webinars, site visits, or virtual meetings) to discuss technologies and energy solutions.

3.6 Other Considerations

Workforce Development

In 2025, the Company will look to hire a Trade Ally Engagement Specialist. The Engagement Specialist will seek to better engage trade allies (e.g. contractors) with expertise in HVAC, controls, refrigeration and other non-lighting technologies to participate in RIE EE programs. The position will help to build relationships with contractors, educate on energy efficiency incentives, and breakdown barriers to participation. This participation is critical to diversifying the Company's portfolio and to ensure trade allies are skilled in non-lighting measures. The installation of high-efficiency equipment and sophisticated control systems is critical given the decline in lighting savings.

Code Changes for 2025

Regarding appliance standards, the Company will make changes to the Midstream initiative's new construction baseline assumptions for food services, lighting, and HVAC equipment as applicable. These strengthening standards help lower overall energy consumption at a macro level; however they lessen the claimable savings potential for affected measures as they close the gap between high-efficiency options and the least-efficient options available on the market. As baseline standards continue to rise, the Company will continue to identify and support appliances which still have significant claimable savings potential.

4. SMALL BUSINESS DIRECT INSTALL PROGRAM

4.1 Offerings

The Small Business program offers a no-cost site assessment conducted by a Small Business Energy Specialist to understand the customer's energy-related needs and goals. This site assessment identifies energy efficiency measures including lighting systems and controls, cooler/refrigeration controls, water saving measures, HVAC controls, motor controls, weatherization/insulation and custom measures. The Small Business vendor offers turn-key installation and on-bill refinancing to support the adoption of the recommended energy efficiency measures to the customer.

The program also offers a Customer Directed Option pathway. In this pathway, customers may use their own electrician and installers to install measures while the Small Business vendor processes and submits all necessary paperwork to the Company.

4.2 Eligibility

Commercial customers who have less than 1.5 million kWh in annual usage may participate in the Small Business program. K-12 schools, national and regional chain restaurants, and small grocery stores who consume less than 1.5 million kWh per year are excluded from this program as they are served through other pathways or initiatives.

4.3 Implementation and Delivery

Customers have a number of ways to participate in the Small Business program, whether through outreach (e.g. placed advertisements, emails, direct mail campaigns, social media, events and conferences) by the Company and/or the implementation vendor or a customer signing up for an energy assessment by either calling, emailing or using an [online](#) form to express interest in the program. After this initial contact, the customer is connected to a dedicated Small Business program representative to

learn details about the program's processes and next steps. The program vendor schedules an assessment with the customer and an Energy Specialist will meet the customer at the scheduled time. The Energy Specialist performs an energy assessment, identifies strategies to pursue opportunities, reviews design considerations with the customer, and incorporates the energy efficiency measures identified into a proposal. The proposal reflects the installed costs, the expected energy savings and the applicable program incentives.

4.4 2025 Program Enhancements and Changes

4.4.1 Equity

4.4.1.1 *Multilingual Outreach*

In 2025, the Company will continue to incorporate two equity-related initiatives. The Company and its Small Business implementation vendor will continue to seek to deploy bilingual auditors who speak either Spanish or Portuguese – the two most widely spoken languages besides English in Rhode Island. The Program currently has a Program canvasser that is bilingual and a Brand Manager on staff located in Cranston, RI who speaks five languages. They are available to assist with translation and outreach services when needed. Customers calling the implementation vendor has access to a translation service used for the Residential Programs, if needed. The program will continue to target its marketing directly to Woman and Minority Owned Enterprises (WME) and will seek to collaborate with the Rhode Island Center for Women and Enterprise (<https://cweonline.org/our-centers/cwe-rhode-island>). In addition, the implementation vendor will continue to engage with and develop relationships and partnerships with groups such as the Rhode Island Black Business Association and the Rhode Island Hispanic Chamber of Commerce.

4.4.1.2 *Main Streets Initiative and Microbusinesses*

Finally, the Communities initiative includes equity elements, including a focus on microbusinesses, as described in the Main Text of the 2025 Plan. The Company continues to integrate its program outreach efforts with the Main Streets Initiative to increase adoption of direct install energy efficiency measures among underserved microbusinesses in Rhode Island. In 2025, through its turnkey vendor, the Company will continue to target microbusinesses concentrated around the main streets of three communities. For each targeted community, the vendor will conduct targeted direct mail and/or social media followed by door-to-door outreach for 3-7 working days. For door-to-door canvassing, the vendor may seek to secure cooperation and support of local government leaders, community organizations, and neighborhood groups (e.g., chamber of commerce). The 5 communities targeted in 2025 will be identified in early 2025 and the Company will look to focus on economic development communities as well as towns with historic low participation rates. The Company will also continue to report on participation in the Small Business Program by customer size (e.g. annual kWh usage).

4.4.2 Decarbonization

In 2025, the Company will continue to monitor the progress of electrification efforts being funded through state and federal programs. To date this has included efforts such as collaborating with the Office of Energy Resources to promote the Clean Heat RI Program to small business customers. In addition, in 2025 the Company will promote heat pumps to customers heating with electric resistance heat.

5. C&I MULTIFAMILY PROGRAM

5.1 Offerings

See Attachment 1: Multifamily Program.

5.2 Eligibility

See Attachment 1, Section 3 for eligibility information. In addition to the criteria listed in Attachment 1, Section 3, the C&I Multifamily program provides joint residential and commercial energy services to condominiums and apartment complexes for energy efficiency upgrades with no cost audits. The program also serves customers like non-profits, group homes and houses of worship that traditionally do not fit within the predefined program structure.

5.3 2025 Program Enhancements and Changes

See Attachment 1, Section 3 for 2025 program enhancements and changes.

6. FINANCE AS AN ENABLING STRATEGY

Many customers face challenges in bringing energy efficiency projects to fruition. These may include structural limitations within a business, information overload, cultural resistance within companies, and access to capital. The Company's plan deals with the first three barriers in various ways, but this section of the plan focuses on mechanisms that can help customers afford to carry out energy efficiency upgrades and/or perceive costs differently.

6.1 Mechanisms Offered

The Company and its partners have developed four primary finance mechanisms to help customers afford energy efficiency upgrades, each with unique attributes. Some may only be available or apply to certain customers, building, or ownership types.

6.1.1 On Bill Repayment – Electric

On-Bill Repayment – Electric, for commercial customers who consume less than 1.5 million kWh per year	
Loan Size	\$1,000 to ~\$100,000 (may be larger for SEMP Initiative)
Maximum Tenor	5 years for commercial accounts, 7-10 years for State facilities
Loan Volume	Variable, between \$5.0M to \$10M per year
Benefits to Customer	No formal credit check/ rapid approval, on bill repayment, zero interest
Limitations	Maximum tenor too short for many comprehensive upgrade
More Information	The Company's most recent Small Business revolving loan fund projections are illustrated in Attachment 5, Table E-10
Relevant Notes	

6.1.2 On Bill Repayment – Electric Small Business

On-Bill Repayment – Electric Small Business, for commercial customers who consume less than 1.5 million kWh per year	
Loan Size	\$500 to \$50,000
Maximum Tenor	5 years
Loan Volume	Variable, between \$1.8M and \$3.0M per year
Benefits to Customer	No formal credit check / rapid approval, on-bill repayment, zero percent interest
Limitations	Maximum tenor too short for many comprehensive upgrades, cannot be used to support upgrades customers may want, such as windows and roofs as they have a benefit-cost ratio less than 1.0

On-Bill Repayment – Electric Small Business, for commercial customers who consume less than 1.5 million kWh per year	
More Information	The Company’s most recent Small Business revolving loan fund projections are illustrated in Attachment 5, Table E-10
Relevant Notes	

6.1.3 On Bill Repayment – Natural Gas

On-Bill Repayment – Natural Gas, all commercial gas customers	
Loan Size	\$1.000 to ~\$100,000 (may be larger for SEMP Initiative or special projects)
Maximum Tenor	3 years for commercial accounts, 5 years for State facilities
Loan Volume	Variable, between \$1.0M and \$1.5M per year
Benefits to Customer	No formal credit check / rapid approval, on-bill repayment, zero percent interest
Limitations	Maximum tenor too short for many comprehensive upgrades, cannot be used to support upgrades customers may want, such as windows and roofs as they have a benefit-cost ratio less than 1.0
More Information	The Company’s most recent Natural Gas revolving loan fund projections are illustrated in Attachment 6, Table E-10
Relevant Notes	

6.1.4 Efficient Buildings Fund

Efficient Buildings Fund, state agencies, quasi-state agencies and municipalities	
Loan Size	More than \$5M
Maximum Tenor	Up to 20 years
Loan Volume	Variable, over \$60M in loans closed to date

Efficient Buildings Fund, state agencies, quasi-state agencies and municipalities	
Benefits to Customer	Below market rate interest, long tenor and loan amounts can be large enough to make comprehensive building wide improvements
Limitations	Appropriate customers must file applications and be ranked against other potential loan applicants
More Information	More details on this program can be found online at the Rhode Island Infrastructure Bank webpage and the OER Resources webpage
Description	The Efficient Buildings Fund is a long-term, below-market financing option for municipalities and quasi-public agencies to complete energy efficiency and renewable energy projects. The fund is administered in partnership with OER and the Rhode Island Infrastructure Bank (RIIB). OER is responsible for determining project eligibility, reviewing project applications, and producing a Project Priority List. RIIB only finances projects that are listed on the Project Priority List
2024 Actions	RIIB and OER will administer the program and the Company will continue to provide technical, logistical and incentive support to municipal customers

6.1.5 Public Sector Revolving Loan Fund

The Public Sector Revolving Loan fund was a predecessor of the Efficient Buildings Fund. It was funded by Regional Greenhouse Gas Initiative (RGGI) funds controlled by OER. This fund no longer makes loans. As funds are repaid from previous disbursements, they are periodically transferred back to RI OER to be used at their discretion. More details on this fund can be found in Attachment 5, Table E-9.

6.1.6 Commercial Property Assessed Energy (C-PACE)

C-PACE, owners of non-residential properties	
Maximum Loan Size	Limited by the financial health of the building
Maximum Tenor	Average measure life of all upgrades, can exceed 15 years
Loan Volume	Variable
Benefits to Customer	Can be structured to be cash flow positive, no personal guarantees, financing can be used to finance a wide

C-PACE, owners of non-residential properties	
	variety of improvements related to energy, may be considered an operating expense
Limitations	Minimum transaction value of ~\$50,000, preferred \$100,000+

6.1.7 Ascentium Rental Agreement

Ascentium Rental Agreement, owners of non-residential properties	
Maximum Loan Size	No stated limit
Maximum Tenor	Variable
Loan Volume	Variable
Benefits to Customer	Rapid preliminary approval, rental product is considered an operating cost
Limitations	Specific terms of the agreement may not be attractive to some customer types, including any that are reluctant to take on debt

7. MARKETING TO C&I CUSTOMERS

The Company will continue to leverage digital marketing, paid Google search and social media marketing with LinkedIn, print advertising, direct mail, and email campaigns. Partnerships with Providence Business News, www.pbn.com, and www.bizjournals.com/rhodeisland/ proved especially effective in making a local connection with businesses in Rhode Island.

RI Energy's paid media primarily targets direct decision-makers for capital budgets and facilities projects, C-suite executives, facility managers, and small business owners. A portion of advertising and communications are also dedicated to targeting other key influencers who influence energy project go-forward decisions, such as distributors, PEX's, engineers, and architects who may have existing relationships with customers.

The Company will continue to adjust tone and messaging as appropriate to remain sensitive to our customers' needs. Rhode Island Energy updates its website and campaign landing pages to reflect key messages, strategies, and general core values and has also increased focus on providing industry-specific messaging and information wherever possible. A new and improved website is targeted to expected to launch in August 2024.

Finally, the Company will tie its marketing activities to the energy efficiency program priorities described elsewhere in this plan. This includes:

- Promoting planned Workforce Development activities, potentially via social media.
- Developing fact sheets to explain program focus areas such as Building Analytics, ESPO, or lighting controls.
- Developing case studies to highlight efficiency opportunities in specific market sectors.

8. COMMERCIAL AND INDUSTRIAL MEASURES AND INCENTIVES

Table 5 below lists the planned measures for the electric Commercial and Industrial programs, by program, along with the planned quantities (in kWh or MMBtu savings), incentives per quantity, total incentives, and annual and lifetime savings. Table 6 shows the same information for the planned Gas program, respectively. Planned costs in non-incentive cost categories for each program that are not allocated at the measure level are provided in Table E-2 of Attachment 5 for the electric portfolio and Table G-2 of Attachment 6 for the natural gas portfolio.

Table 5. Planned Measures for Electric Commercial and Industrial Programs

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Program	Measure	Quantity	Incentive / Quantity	Total Incentives	Net Annual Energy Savings (MWh)	Net Lifetime Energy Savings (MWh)	Net Annual Summer Capacity Savings (kW)	Net Annual Winter Capacity Savings (kW)	Annual Carbon Reductions (Short Tons)	Lifetime Carbon Reductions (Short Tons)
1	Large C&I New Construction	Advanced Building	417,454	\$0.45	\$187,854	175.5	2,808.6	49.0	6.6	80.2	1,282.7
2	Large C&I New Construction	Air Cooled AC - 5.4-11.25 T	185,832	\$0.25	\$46,458	139.0	2,085.0	12.0	0.0	75.4	1,131.7
3	Large C&I New Construction	Air Cooled AC - 11.25-20 T	52,062	\$0.25	\$13,016	38.9	584.1	3.4	0.0	21.1	317.1
4	Large C&I New Construction	Air Cooled AC - 20-63 T	34,388	\$0.25	\$8,597	25.7	385.8	2.2	0.0	14.0	209.4
5	Large C&I New Construction	Air Cooled AC - over 63 T	16,713	\$0.25	\$4,178	12.5	187.5	1.1	0.0	6.8	101.8
6	Large C&I New Construction	AirCChiller - IPLV	37,874	\$0.26	\$9,847	36.6	842.2	10.0	1.9	16.6	381.6

7	Large C&I New Construction	AirCChiller - Peak	37,874	\$0.26	\$9,847	36.6	842.2	10.0	1.9	16.6	381.6
8	Large C&I New Construction	AirCChiller - 150to300T	37,874	\$0.26	\$9,847	36.6	842.2	10.0	1.9	16.6	381.6
9	Large C&I New Construction	AirCChiller - to150T	37,874	\$0.26	\$9,847	36.6	842.2	10.0	1.9	16.6	381.6
10	Large C&I New Construction	AirHP - Pkg to5.4T	125,098	\$0.40	\$50,039	93.6	1,122.9	13.6	0.0	50.8	609.5
11	Large C&I New Construction	AirHP - 5.4- 11.25T	4,020	\$0.15	\$598	3.0	36.1	0.4	0.0	1.6	19.6
12	Large C&I New Construction	AirHP - 11.25- 20T	2,603	\$0.13	\$326	1.9	23.4	0.3	0.0	1.1	12.7
13	Large C&I New Construction	Boiler, Draft Fan	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
14	Large C&I New Construction	Boiler, Feedwater Pump	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
15	Large C&I New Construction	Building Exhaust Fan	3,864	\$0.31	\$1,198	3.3	48.8	0.3	0.3	1.5	22.1
16	Large C&I New Construction	Building Shell	43,018	\$0.50	\$21,509	31.1	778.2	0.0	0.0	14.2	355.4
17	Large C&I New Construction	Chiller	345,117	\$0.53	\$182,567	249.7	5,744.1	36.8	38.6	114.1	2,623.3
18	Large C&I New Construction	Chiller, Water Pump	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
19	Large C&I New Construction	CODES AND STANDARDS	317,900	\$0.00	\$0	317.9	6,358.0	0.0	0.0	129.1	2,581.3
20	Large C&I New Construction	Commercial Electric Combination Oven	22,316	\$0.18	\$4,017	16.7	200.3	2.8	2.9	9.1	108.7
21	Large C&I New Construction	Commercial Electric Convection Oven	35,206	\$0.23	\$8,211	26.3	316.0	4.4	4.5	14.3	171.5
22	Large C&I New Construction	Commercial Electric Fryer - Large	1,509	\$0.10	\$146	1.1	13.5	0.2	0.2	0.6	7.4

23	Large C&I New Construction	Commercial Electric Fryer - Standard	1,937	\$0.09	\$179	1.4	17.4	0.2	0.2	0.8	9.4
24	Large C&I New Construction	Commercial Electric Griddle	3,549	\$0.31	\$1,103	2.7	31.9	0.4	0.5	1.4	17.3
25	Large C&I New Construction	Commercial electric steamer	30,488	\$0.08	\$2,325	22.8	273.7	3.8	3.9	12.4	148.5
26	Large C&I New Construction	Commercial Refrigeration	302,648	\$0.46	\$139,218	219.0	3,285.2	18.7	26.4	100.0	1,500.3
27	Large C&I New Construction	Comprehensiv e Design	435,282	\$0.47	\$204,583	183.0	2,928.6	51.1	6.9	83.6	1,337.5
28	Large C&I New Construction	Compressed Air	2,068,932	\$0.39	\$808,952	1,497.2	22,457.6	201.8	225.0	683.7	10,256.2
29	Large C&I New Construction	Compressed Air Nozzle	8,250	\$0.28	\$2,310	10.6	159.7	1.0	0.8	4.8	72.3
30	Large C&I New Construction	Conveyor Broiler - >28" wide	3,319	\$0.98	\$3,255	2.5	29.8	0.4	0.4	1.3	16.2
31	Large C&I New Construction	Cooling Tower Fan	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
32	Large C&I New Construction	Custom HVAC	1,160,565	\$0.54	\$626,705	839.8	13,437.4	123.6	129.9	383.5	6,136.8
33	Large C&I New Construction	Deck Oven	59,212	\$0.30	\$17,719	44.3	531.5	7.4	7.6	24.0	288.5
34	Large C&I New Construction	DHW ECM Pump - <= 1/8 HP	977	\$0.39	\$382	0.7	11.0	0.2	0.2	0.4	5.9
35	Large C&I New Construction	DHW ECM Pump - <=1/20 HP	1,298	\$0.39	\$508	1.0	14.6	0.0	0.0	0.5	7.9
36	Large C&I New Construction	DHW ECM Pump - 1/20 to 1/8 HP	1,298	\$0.39	\$508	1.0	14.6	0.0	0.0	0.5	7.9
37	Large C&I New Construction	DHW ECM Pump - 1/8 to 1/6 HP	1,298	\$0.39	\$508	1.0	14.6	0.0	0.0	0.5	7.9
38	Large C&I New Construction	DHW ECM Pump - 1/6 to 3/4 HP	1,298	\$0.39	\$508	1.0	14.6	0.0	0.0	0.5	7.9
39	Large C&I New Construction	DHW ECM Pump - 3/4 to 3 HP	1,298	\$0.39	\$508	1.0	14.6	0.0	0.0	0.5	7.9

40	Large C&I New Construction	Dishwasher - High Temperature Door Type	2,514	\$0.22	\$560	1.9	28.2	0.3	0.3	1.0	15.3
41	Large C&I New Construction	Dishwasher - High Temperature Multi Tank Conveyor	1,458	\$0.10	\$140	1.1	21.8	0.2	0.2	0.6	11.8
42	Large C&I New Construction	Dishwasher - High Temperature Pots and Pans	1,625	\$0.90	\$1,457	1.2	12.2	0.2	0.2	0.7	6.6
43	Large C&I New Construction	Dishwasher - High Temperature Single Tank Conveyor	6,014	\$0.36	\$2,162	4.5	90.0	0.8	0.8	2.4	48.8
44	Large C&I New Construction	Dishwasher - High Temperature Under Counter	12,473	\$0.29	\$3,656	9.3	93.3	1.6	1.6	5.1	50.6
45	Large C&I New Construction	Dishwasher - Low Temperature Door Type	6,600	\$0.15	\$990	4.9	74.1	0.8	0.8	2.7	40.2
46	Large C&I New Construction	Dishwasher - Low Temperature Single Tank Conveyor	4,012	\$0.15	\$602	3.0	60.0	0.5	0.5	1.6	32.6
47	Large C&I New Construction	Dishwasher - Low Temperature Under Counter	989	\$0.15	\$148	0.7	7.4	0.1	0.1	0.4	4.0
48	Large C&I New Construction	Dual enthalpy economizer controls	2,994	\$0.09	\$275	2.7	26.8	1.1	0.0	1.2	12.2
49	Large C&I New Construction	ECM Pump - ≤ 1/8 HP	28,718	\$0.30	\$8,615	21.5	322.2	2.8	2.8	11.7	174.9
50	Large C&I New Construction	ECM Pump - ≤ 1/20 HP	9,572	\$0.30	\$2,872	7.2	107.4	1.3	1.3	3.9	58.3
51	Large C&I New Construction	Electric HW Spray Valve	20,334	\$0.58	\$11,692	18.2	91.1	0.0	0.0	8.3	41.3
52	Large C&I New Construction	EMS	103,086	\$0.53	\$54,532	74.6	1,119.0	11.0	11.5	34.1	511.0

53	Large C&I New Construction	Food Service	4,560	\$0.39	\$1,783	3.3	36.3	0.0	0.0	1.5	16.6
54	Large C&I New Construction	Freezer Glass Door - <15 ft3	254	\$0.53	\$134	0.2	2.3	0.0	0.0	0.1	1.2
55	Large C&I New Construction	Freezer Glass Door - 15 to 29.9 ft3	405	\$0.48	\$193	0.3	3.6	0.1	0.1	0.2	2.0
56	Large C&I New Construction	Freezer Glass Door - 30 to 49.9 ft3	631	\$0.19	\$119	0.5	5.7	0.1	0.1	0.3	3.1
57	Large C&I New Construction	Freezer Glass Door - >50 ft3	883	\$0.20	\$178	0.7	7.9	0.1	0.1	0.4	4.3
58	Large C&I New Construction	Freezer Solid Door - <15 ft3	1,260	\$1.06	\$1,337	0.9	11.3	0.2	0.2	0.5	6.1
59	Large C&I New Construction	Freezer Solid Door - 15 to 29.9 ft3	4,333	\$0.67	\$2,898	3.2	38.9	0.5	0.6	1.8	21.1
60	Large C&I New Construction	Freezer Solid Door - 30 to 49.9 ft3	10,291	\$0.37	\$3,804	7.7	92.4	1.3	1.3	4.2	50.1
61	Large C&I New Construction	Freezer Solid Door - >50 ft3	350	\$0.51	\$178	0.3	3.1	0.0	0.0	0.1	1.7
62	Large C&I New Construction	Freezer, Ultra Low Temperature	44,196	\$0.40	\$17,681	33.1	330.6	5.5	5.7	17.9	179.4
63	Large C&I New Construction	Hand Wrapper	3,130	\$0.07	\$220	2.3	23.4	0.4	0.4	1.3	12.7
64	Large C&I New Construction	Heating Hot Water Pump	17,342	\$0.31	\$5,419	14.6	219.1	1.1	1.1	6.6	99.3
65	Large C&I New Construction	High Efficiency Condensing Units - Floating Head Pressure Control	70,056	\$0.29	\$20,427	52.4	681.2	7.7	6.9	28.4	369.8
66	Large C&I New Construction	High Efficiency Condensing Units - Scroll Compressor	70,056	\$0.29	\$20,427	52.4	681.2	7.7	6.9	28.4	369.8

67	Large C&I New Construction	High Performance Contact Conveyor Toaster	1,000	\$0.70	\$700	0.7	9.0	0.1	0.1	0.4	4.9
68	Large C&I New Construction	Hot Food Holding Cabinet - 3/4	4,599	\$0.73	\$3,360	3.4	41.3	0.6	0.6	1.9	22.4
69	Large C&I New Construction	Hot Food Holding Cabinet - Full	4,311	\$0.35	\$1,496	3.2	38.7	0.5	0.6	1.8	21.0
70	Large C&I New Construction	Hot Food Holding Cabinet - 1/2	20,696	\$0.59	\$12,285	15.5	185.8	2.6	2.7	8.4	100.8
71	Large C&I New Construction	HVAC Fan - Return	17,342	\$0.31	\$5,419	14.6	219.1	1.1	1.1	6.6	99.3
72	Large C&I New Construction	HVAC Fan - Supply	17,342	\$0.31	\$5,419	14.6	219.1	1.1	1.1	6.6	99.3
73	Large C&I New Construction	Ice Machine - Ice Making Head	46,914	\$0.25	\$11,550	35.1	315.8	5.9	6.0	19.0	171.4
74	Large C&I New Construction	Ice Machine - Cont. Remote	5,202	\$0.09	\$450	3.9	35.0	0.7	0.7	2.1	19.0
75	Large C&I New Construction	Ice Machine - Ice Self Contained	3,220	\$0.28	\$900	2.4	21.7	0.4	0.4	1.3	11.8
76	Large C&I New Construction	Ice Machine - Remote/Split	7,282	\$0.06	\$450	5.4	49.0	0.9	0.9	3.0	26.6
77	Large C&I New Construction	LEDs	8,540	\$0.33	\$2,818	7.2	79.7	1.5	0.9	3.3	36.4
78	Large C&I New Construction	Lighting Controls - Integrated	122,850	\$0.23	\$28,256	104.3	1,147.8	14.2	11.5	41.0	451.2
79	Large C&I New Construction	Lighting Controls - Exterior	122,850	\$0.23	\$28,256	104.3	939.1	14.2	11.5	41.0	369.1
80	Large C&I New Construction	Lighting Controls - Street Light Exterior	30,700	\$0.22	\$6,754	26.1	234.7	3.6	2.9	10.2	92.2
81	Large C&I New Construction	Lighting Systems, Custom	20,613	\$0.33	\$6,802	14.9	163.7	3.1	1.8	8.0	87.8
82	Large C&I New Construction	Lighting Controls, Custom	43,655	\$0.36	\$15,716	31.5	283.7	6.6	3.7	16.9	152.2

83	Large C&I New Construction	LOADCOMP- 25HP	225,000	\$0.28	\$63,000	290.3	4,354.6	27.1	22.2	131.5	1,973.2
84	Large C&I New Construction	LOADCOMP- 75HP	225,000	\$0.28	\$63,000	290.3	4,354.6	26.2	21.5	131.5	1,973.2
85	Large C&I New Construction	Low pressure drop filter	8,250	\$0.28	\$2,310	10.6	53.2	1.0	0.8	4.8	24.1
86	Large C&I New Construction	Make Up Air Fan	2,236	\$0.31	\$699	1.9	28.2	0.1	0.1	0.9	12.8
87	Large C&I New Construction	MFHR - Cooling	7,534	\$0.39	\$2,938	5.7	142.6	0.0	0.0	3.1	76.5
88	Large C&I New Construction	MFHR - DHW	7,534	\$0.39	\$2,938	5.7	85.5	0.0	0.0	3.1	45.9
89	Large C&I New Construction	MFHR - Heating	7,534	\$0.39	\$2,938	5.7	142.6	0.0	0.0	3.1	76.5
90	Large C&I New Construction	MFHR - Lighting	7,534	\$0.39	\$2,938	5.7	62.7	0.0	0.0	3.1	33.6
91	Large C&I New Construction	Motor	69,768	\$0.22	\$15,349	50.5	1,009.7	11.1	9.8	23.1	461.1
92	Large C&I New Construction	ODP-1200F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
93	Large C&I New Construction	ODP-1200N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
94	Large C&I New Construction	ODP-1200S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
95	Large C&I New Construction	ODP-1800F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
96	Large C&I New Construction	ODP-1800N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
97	Large C&I New Construction	ODP-1800S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
98	Large C&I New Construction	ODP-3600F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
99	Large C&I New Construction	ODP-3600N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8

100	Large C&I New Construction	ODP-3600S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
101	Large C&I New Construction	Other	60,922	\$0.39	\$23,821	44.1	440.9	5.0	7.1	20.1	201.3
102	Large C&I New Construction	Packaged Terminal Air Conditioner	52,897	\$0.25	\$13,224	39.6	593.5	3.4	0.0	21.5	322.1
103	Large C&I New Construction	PEI H2O PUMP - COMM, C	51,081	\$0.12	\$6,130	38.6	578.9	7.5	0.7	20.9	314.2
104	Large C&I New Construction	Performance Lighting - Tier 1 Exterior	2,396	\$0.21	\$503	2.0	30.5	0.3	0.2	0.8	12.0
105	Large C&I New Construction	Performance Lighting Tier 2 & 3 Exterior	2,396	\$0.21	\$503	2.0	30.5	0.3	0.2	0.8	12.0
106	Large C&I New Construction	Prescriptive Lighting - EXT- 24/7	54,734	\$0.25	\$13,684	46.5	697.4	6.3	5.1	18.3	274.1
107	Large C&I New Construction	Prescriptive Lighting - EXT- DUSKDAWN	174,499	\$0.21	\$36,645	148.2	2,223.3	20.2	16.3	58.3	873.9
108	Large C&I New Construction	Process	1,227,371	\$0.34	\$417,306	888.2	13,322.7	147.6	180.0	405.6	6,084.4
109	Large C&I New Construction	Process Cooling	318,192	\$0.32	\$102,458	230.3	3,453.9	38.3	46.7	105.2	1,577.4
110	Large C&I New Construction	Process Exhaust Fan	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
111	Large C&I New Construction	Process, Cool Pump	3,542	\$0.31	\$1,107	3.0	44.7	0.2	0.2	1.4	20.3
112	Large C&I New Construction	Refrigerated Air Dryer - CAT<100	22,860	\$0.28	\$6,401	32.0	415.4	2.7	2.3	14.5	188.2
113	Large C&I New Construction	Refrigerated Air Dryer - CAT>400	22,860	\$0.28	\$6,401	32.0	415.4	2.7	2.3	14.5	188.2
114	Large C&I New Construction	Refrigerated Air Dryer - CAT-200	22,860	\$0.28	\$6,401	32.0	415.4	2.7	2.3	14.5	188.2
115	Large C&I New Construction	Refrigerated Air Dryer - CAT-300	22,860	\$0.28	\$6,401	32.0	415.4	2.7	2.3	14.5	188.2
116	Large C&I New Construction	Refrigerated Air Dryer - CAT-400	22,860	\$0.28	\$6,401	32.0	415.4	2.7	2.3	14.5	188.2

117	Large C&I New Construction	Refrigerated Chef Base - 35" to 54"	1,051	\$0.52	\$550	0.8	9.4	0.1	0.1	0.4	5.1
118	Large C&I New Construction	Refrigerated Chef Base - 74" to 89"	1,966	\$0.28	\$544	1.5	17.6	0.2	0.3	0.8	9.6
119	Large C&I New Construction	Refrigerator Glass Door - <15 ft3	2,089	\$0.92	\$1,918	1.6	18.8	0.3	0.3	0.8	10.2
120	Large C&I New Construction	Refrigerator Glass Door - 15 to 29.9 ft3	6,633	\$0.57	\$3,781	5.0	59.5	0.8	0.9	2.7	32.3
121	Large C&I New Construction	Refrigerator Glass Door - 30 to 49.9 ft3	12,895	\$0.42	\$5,373	9.6	115.7	1.6	1.7	5.2	62.8
122	Large C&I New Construction	Refrigerator Glass Door - >50 ft3	2,081	\$0.61	\$1,279	1.6	18.7	0.3	0.3	0.8	10.1
123	Large C&I New Construction	Refrigerator Solid Door - <15 ft3	1,450	\$1.32	\$1,919	1.1	13.0	0.2	0.2	0.6	7.1
124	Large C&I New Construction	Refrigerator Solid Door - 15 to 29.9 ft3	4,640	\$0.69	\$3,184	3.5	41.6	0.6	0.6	1.9	22.6
125	Large C&I New Construction	Refrigerator Solid Door - 30 to 49.9 ft3	2,507	\$1.33	\$3,326	1.9	22.5	0.3	0.3	1.0	12.2
126	Large C&I New Construction	Refrigerator Solid Door - >50 ft3	1,069	\$1.00	\$1,066	0.8	9.6	0.1	0.1	0.4	5.2
127	Large C&I New Construction	Room Air Cleaner - K-12	10,950	\$0.26	\$2,896	9.5	85.7	0.3	0.6	4.3	38.8
128	Large C&I New Construction	Room Air Cleaner - Office	10,950	\$0.26	\$2,896	9.5	85.7	0.3	0.6	4.3	38.8
129	Large C&I New Construction	Room Air Cleaner - Retail	10,950	\$0.26	\$2,896	9.5	85.7	0.3	0.6	4.3	38.8
130	Large C&I New Construction	Sensors	10,950	\$0.26	\$2,847	10.6	105.9	4.7	3.7	4.8	48.0
131	Large C&I New Construction	Split system AC to 5.4 tons	60,836	\$0.25	\$15,209	45.5	682.6	3.9	0.0	24.7	370.5
132	Large C&I New Construction	TEFC-1200F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
133	Large C&I New Construction	TEFC-1200N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8

134	Large C&I New Construction	TEFC-1200S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
135	Large C&I New Construction	TEFC-1800F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
136	Large C&I New Construction	TEFC-1800N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
137	Large C&I New Construction	TEFC-1800S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
138	Large C&I New Construction	TEFC-3600F	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
139	Large C&I New Construction	TEFC-3600N	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
140	Large C&I New Construction	TEFC-3600S	2,236	\$0.29	\$648	1.9	28.2	0.1	0.1	0.9	12.8
141	Large C&I New Construction	Transformers	3,788	\$0.40	\$1,515	2.7	63.1	0.3	0.4	1.3	28.8
142	Large C&I New Construction	VARICOMP, 75HP	92,176	\$0.31	\$28,575	118.9	1,783.9	10.8	8.9	53.9	808.3
143	Large C&I New Construction	Vending Miser - Glass Front Refridgerated Coolers	1,320	\$0.70	\$924	1.0	4.9	0.1	0.1	0.5	2.7
144	Large C&I New Construction	Vending Miser - Non- Refridgerated Snack Vending Machines UPSTR	1,320	\$0.70	\$924	1.0	4.9	0.1	0.1	0.5	2.7
145	Large C&I New Construction	Vending Miser - Refridgerated Beverage Vending Machines UPSTR	1,320	\$0.70	\$924	1.0	4.9	0.1	0.1	0.5	2.7
146	Large C&I New Construction	VFD Secondary	2,236	\$0.31	\$699	1.9	28.2	0.1	0.1	0.9	12.8
147	Large C&I New Construction	VRF HP - 11.25T-20T	457,420	\$0.31	\$143,217	359.3	6,107.4	30.2	0.0	195.0	3,315.0

148	Large C&I New Construction	VRF HP - 5.4T- 11.25T	1,032,719	\$0.27	\$273,798	811.1	13,788.7	68.1	0.0	440.2	7,484.2
149	Large C&I New Construction	VRF HP - over 20T	21,651	\$0.23	\$4,914	17.0	289.1	1.4	0.0	9.2	156.9
150	Large C&I New Construction	VSD-Non HVAC	147,747	\$0.22	\$32,504	106.9	1,603.7	23.4	20.8	48.8	732.4
151	Large C&I New Construction	VSD Compressor (15<=HP<=75)	92,176	\$0.22	\$20,279	118.9	1,546.1	10.7	8.8	53.9	700.6
152	Large C&I New Construction	Water Source Heat Pump	3,276	\$0.50	\$1,638	2.6	38.6	0.0	0.0	1.4	20.9
153	Large C&I New Construction	WCChill - over300T_IPL V_CEN	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
154	Large C&I New Construction	WCChill - over300T_IPL V_SCR	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
155	Large C&I New Construction	WCChill - over300T_Pkk W_CEN	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
156	Large C&I New Construction	WCChill - over300T_Pkk W_SCR	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
157	Large C&I New Construction	WCChill - to150T_IPLV_ CEN	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
158	Large C&I New Construction	WCChill - to150T_IPLV_ SCR	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
159	Large C&I New Construction	WCChill - to150T_PkkW _CEN	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
160	Large C&I New Construction	WCChill - to150T_PkkW _SCR	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
161	Large C&I New Construction	WCChill - 150- 300T_IPLV	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
162	Large C&I New Construction	WCChill - 150- 300T_IPLV_CE N	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
163	Large C&I New Construction	WCChill - 150- 300T_IPLV_SC R	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
164	Large C&I New Construction	WCChill - 150- 300T_PkkW	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3

165	Large C&I New Construction	WCChill - 150- 300T_PkW_ CEN	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
166	Large C&I New Construction	WCChill - 150- 300T_PkW_ CR	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
167	Large C&I New Construction	WCChill - 300- 1000T_IPLV	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
168	Large C&I New Construction	WCChill - 300- 1000T_PkW	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
169	Large C&I New Construction	WCChill - 30- 70T	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
170	Large C&I New Construction	WCChill - 70- 150T	2,016	\$0.30	\$605	1.9	44.8	0.5	0.1	0.9	20.3
171	Large C&I New Construction	Zero loss condensate drain	25,982	\$0.28	\$7,275	33.5	502.8	3.0	2.5	15.2	227.8
172	Large C&I New Construction	Induction Cooktop	2,300	\$0.30	\$690	1.7	20.6	0.3	0.3	0.9	11.2
173	Large C&I New Construction	Hot Food Holding Bin	18,750	\$0.31	\$5,813	14.0	168.3	1.7	1.8	7.6	91.4
174	Large C&I New Construction	Steam Table	1,500	\$0.71	\$1,065	1.1	13.5	0.3	0.3	0.6	7.3
175	Large C&I New Construction	Soup Wells	750	\$0.79	\$593	0.6	6.7	0.2	0.2	0.3	3.7
176	Large C&I New Construction	Radiant Conveyor Toaster 120V	22,500	\$0.13	\$2,925	16.8	202.0	0.0	0.0	9.1	109.6
177	Large C&I New Construction	Radiant Conveyor Toaster 208V	30,000	\$0.07	\$2,100	22.4	269.3	0.0	0.0	12.2	146.2
178	Large C&I New Construction	Demand Control Kitchen Ventilation	37,500	\$0.53	\$19,875	28.1	561.0	0.0	0.0	712.2	14,243.4
179	Large C&I New Construction	FEI Rated Fans, Variable Speed	306,250	\$0.09	\$27,563	229.1	3,436.1	47.9	47.9	124.3	1,865.1
180	Large C&I New Construction	FEI Rated Fans, Constant Speed	22,500	\$0.11	\$2,475	16.8	336.6	3.5	3.5	9.1	182.7

181	Large C&I New Construction	High Volume Low Speed (HVLS) Fan	75,000	\$0.23	\$17,250	56.1	841.5	0.0	0.0	30.5	456.8
182	Large C&I New Construction	High Efficiency Evaporating Units	100,000	\$0.63	\$63,000	74.8	1,122.0	49.6	49.6	40.6	609.0
183	Large C&I Retrofit	HVAC Fan - Return	127,392	\$0.43	\$54,779	107.3	1,609.4	8.2	8.2	48.6	729.3
184	Large C&I Retrofit	HVAC Fan - Supply	178,601	\$0.43	\$76,798	150.4	2,256.4	11.5	11.5	68.2	1,022.4
185	Large C&I Retrofit	Boiler, Draft Fan	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
186	Large C&I Retrofit	Boiler, Feedwater Pump	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
187	Large C&I Retrofit	Building Exhaust Fan	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
188	Large C&I Retrofit	Building operator certification	53,455	\$0.00	\$0	47.9	239.5	0.0	0.0	21.7	108.5
189	Large C&I Retrofit	Building Shell	30,143	\$0.85	\$25,622	21.8	392.6	0.0	0.0	10.0	179.3
190	Large C&I Retrofit	Chiller, Water Pump	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
191	Large C&I Retrofit	Commercial Refrigeration	361,298	\$0.44	\$158,971	261.5	3,398.9	19.1	38.7	119.4	1,552.2
192	Large C&I Retrofit	Cooling Town Fan	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
193	Large C&I Retrofit	Custom Compressed Air	326,309	\$0.10	\$32,631	236.1	472.3	31.4	44.0	107.8	215.7
194	Large C&I Retrofit	Custom HVAC	254,382	\$0.62	\$157,717	184.1	1,840.8	37.5	20.1	141.6	1,416.3
195	Large C&I Retrofit	Custom Motor	55,195	\$0.44	\$24,286	39.9	599.1	6.6	4.7	18.2	273.6
196	Large C&I Retrofit	Custom Other	145,072	\$0.22	\$31,916	105.0	524.9	9.9	10.3	47.9	239.7
197	Large C&I Retrofit	Custom process	1,381,367	\$0.24	\$331,528	999.6	12,995.1	165.9	231.0	456.5	5,934.8
198	Large C&I Retrofit	EMS 5k-40ksqft	586,135	\$0.62	\$363,404	312.0	3,120.3	19.9	27.5	289.7	2,897.0
199	Large C&I Retrofit	EMS 40k-80ksqft	732,668	\$0.57	\$417,621	390.0	3,900.4	24.8	34.4	362.1	3,621.3
200	Large C&I Retrofit	EMS 80k-200ksqft	879,202	\$0.52	\$457,185	468.0	4,680.5	29.8	41.3	434.6	4,345.5
201	Large C&I Retrofit	Energy management system, custom	677,376	\$0.43	\$291,272	490.2	3,431.3	100.0	53.5	223.9	1,567.0

202	Large C&I Retrofit	Food Service	1,403	\$0.37	\$519	1.0	11.2	0.0	0.0	0.5	5.1
203	Large C&I Retrofit	Heating Hot Water Pump	178,601	\$0.43	\$76,798	95.1	1,236.0	6.3	8.4	59.0	767.3
204	Large C&I Retrofit	LEDS	2,431,128	\$0.34	\$826,583	2,061.9	6,185.6	363.5	245.4	941.6	2,824.9
205	Large C&I Retrofit	Lighting Controls, Custom	5,669	\$0.59	\$3,345	4.8	43.3	1.0	0.6	2.2	19.8
206	Large C&I Retrofit	Lighting Systems, Custom	1,791,357	\$0.37	\$662,802	1,117.7	3,353.0	223.3	150.7	476.3	1,429.0
207	Large C&I Retrofit	Make Up Air Fan	92,865	\$0.43	\$39,932	78.2	1,173.2	6.0	6.0	35.4	531.6
208	Large C&I Retrofit	MTVFD-BLDG EXHST FAN	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
209	Large C&I Retrofit	MTVFD-BOIL DRAFT FAN	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
210	Large C&I Retrofit	MTVFD-BOIL FWTR PUMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
211	Large C&I Retrofit	MTVFD-CHIL WATER PMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
212	Large C&I Retrofit	MTVFD-CT FAN	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
213	Large C&I Retrofit	MTVFD-HEAT HW PUMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
214	Large C&I Retrofit	MTVFD-HVAC RET FAN	71,606	\$0.43	\$30,791	60.3	904.6	10.4	10.4	27.3	409.9
215	Large C&I Retrofit	MTVFD-HVAC SUP FAN	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
216	Large C&I Retrofit	MTVFD-MK UP AIR FAN	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
217	Large C&I Retrofit	MTVFD-PROC COOL PUMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
218	Large C&I Retrofit	MTVFD-WATER/WST PUMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
219	Large C&I Retrofit	MTVFD-WSHP PUMP	71,806	\$0.43	\$30,877	60.5	907.2	10.4	10.4	27.4	411.1
220	Large C&I Retrofit	Motor VFD Secondary	160,133	\$0.43	\$68,857	134.9	2,023.1	23.2	23.2	61.1	916.7
221	Large C&I Retrofit	Non-refrigerated snack vending machine	66,879	\$0.50	\$33,440	62.1	310.4	4.3	4.5	42.1	210.4
222	Large C&I Retrofit	O & M	770,246	\$0.21	\$161,752	557.4	1,114.8	0.0	0.0	254.6	509.1
223	Large C&I Retrofit	Prescriptive Lighting - Linear LED - Downstream	2,316,381	\$0.34	\$787,570	1,928.1	5,784.4	671.4	541.7	744.0	2,232.0

224	Large C&I Retrofit	Prescriptive Lighting - LED - Downstream	5,246,094	\$0.34	\$1,783,672	4,366.8	13,100.3	1,520.5	1,226.8	1,685.0	5,055.1
225	Large C&I Retrofit	Prescriptive Lighting - LED Replacement	3,055,014	\$0.34	\$1,038,705	2,542.9	7,628.8	885.4	714.4	981.3	2,943.8
226	Large C&I Retrofit	Process Cooling	151,317	\$0.27	\$40,856	109.5	1,423.5	12.1	16.8	50.0	650.1
227	Large C&I Retrofit	Process, Cool Pump	133,951	\$0.43	\$57,599	71.3	927.0	4.7	6.3	44.3	575.5
228	Large C&I Retrofit	Process, Exhaust Fan	133,951	\$0.43	\$57,599	112.8	1,692.3	8.6	8.7	51.1	766.8
229	Large C&I Retrofit	Refrigerated beverage vending machine	76,911	\$0.50	\$38,455	71.4	357.0	7.6	7.9	48.4	241.9
230	Large C&I Retrofit	Street lighting - Lighting w/ Controls	56,008	\$0.34	\$19,043	47.5	285.0	0.0	7.1	21.7	130.2
231	Large C&I Retrofit	Transformers	207,355	\$0.35	\$72,574	150.1	4,051.4	15.5	20.6	68.5	1,850.2
232	Large C&I Retrofit	UPSTR Lighting - LED Controls	1,685,195	\$0.45	\$758,338	883.7	6,185.8	324.9	225.6	600.9	4,206.0
233	Large C&I Retrofit	UPSTR Lighting - High/Low Bay Controls	4,002,338	\$0.45	\$1,801,052	2,266.1	18,129.1	833.1	578.7	1,390.9	11,127.4
234	Large C&I Retrofit	UPSTR Lighting - LED Exterior	3,433,585	\$0.10	\$343,359	554.5	2,772.6	65.8	176.7	1,324.3	6,621.7
235	Large C&I Retrofit	UPSTR Lighting - LED High/Low Bay	10,290,222	\$0.15	\$1,543,533	5,826.3	17,479.0	2,142.0	1,487.8	3,576.1	10,728.4
236	Large C&I Retrofit	UPSTR Lighting - LED Stairwell	42,130	\$0.33	\$13,903	26.1	52.1	3.4	2.7	14.7	29.4
237	Large C&I Retrofit	UPSTR Lighting - Linear LED	452,896	\$0.08	\$36,232	177.4	354.8	26.0	18.0	159.8	319.6
238	Large C&I Retrofit	UPSTR Lighting - LED Outdoor Control	1,158,572	\$0.17	\$196,957	187.1	1,122.7	22.2	59.6	446.9	2,681.2
239	Large C&I Retrofit	VARICOMP - 25 HP	163,088	\$0.09	\$14,678	206.0	2,678.5	19.1	15.7	93.4	1,213.7
240	Large C&I Retrofit	VARICOMP - 75 HP	160,040	\$0.09	\$14,404	202.2	2,628.4	18.8	15.4	91.6	1,191.0
241	Large C&I Retrofit	VFD Secondary	32,356	\$0.43	\$13,913	17.2	258.4	2.6	3.4	10.7	160.4

242	Large C&I Retrofit	VSD-HVAC	49,241	\$0.36	\$17,727	35.6	463.2	5.9	4.2	16.3	211.6
243	Large C&I Retrofit	VSD-Non HVAC	91,344	\$0.36	\$32,884	66.1	859.3	11.0	7.8	30.2	392.4
244	Large C&I Retrofit	Water Source Heat Pump	79,620	\$0.43	\$34,237	42.4	635.8	2.8	3.7	26.3	394.7
245	Large C&I Retrofit	Water/Waste Pump	133,951	\$0.43	\$57,599	112.8	1,692.3	19.4	19.4	51.1	766.8
246	Small Business Direct Install	CUSTOM LIGHTING	832,756	\$0.63	\$524,636	711.1	2,133.2	83.6	67.5	349.9	1,049.8
247	Small Business Direct Install	Custom Motors/Drives, HVAC	1,584,000	\$0.72	\$1,140,480	1,062.4	13,811.6	114.6	94.5	522.8	6,797.0
248	Small Business Direct Install	Custom Motors/Drives, Non-HVAC	352,000	\$0.72	\$253,440	236.1	3,069.2	25.5	21.0	116.2	1,510.4
249	Small Business Direct Install	Freezer Recycling	51,493	\$0.30	\$15,448	21.4	171.0	2.3	1.9	17.4	138.8
250	Small Business Direct Install	Hot Water, Custom	422,400	\$0.72	\$304,128	283.3	3,683.1	30.6	25.2	139.4	1,812.5
251	Small Business Direct Install	HVAC, Custom	1,683,000	\$0.76	\$1,279,080	1,128.8	14,674.8	121.8	100.4	555.5	7,221.8
252	Small Business Direct Install	LED - Exterior HW	372,996	\$0.63	\$234,987	315.4	1,892.5	33.9	24.4	155.2	931.3
253	Small Business Direct Install	LED - Interior HW	3,897,630	\$0.63	\$2,455,507	3,295.9	9,887.8	354.6	255.1	1,392.5	4,177.5
254	Small Business Direct Install	LED - Interior SI	359,186	\$0.59	\$211,920	303.7	911.2	32.7	23.5	128.3	385.0
255	Small Business Direct Install	Refrigerated case LED	5,717	\$0.45	\$2,573	4.8	14.5	0.6	0.5	2.4	7.1
256	Small Business Direct Install	OCCUPANCY SENSORS	251,826	\$0.59	\$148,577	207.8	1,869.8	23.7	19.1	89.0	801.4
257	Small Business Direct Install	PROGRAMMABLE THERMOSTATS	73,630	\$0.54	\$39,760	60.7	911.2	5.3	4.4	29.9	448.4
258	Small Business Direct Install	TIMECLOCKS	174	\$0.47	\$82	0.1	1.3	0.0	0.0	0.1	0.6
259	Small Business Direct Install	VENDING MACHINES	5,947	\$0.26	\$1,546	4.9	24.5	0.4	0.4	2.4	12.1

260	Small Business Direct Install	Water Heating	6,842	\$0.36	\$2,463	5.6	39.5	0.5	0.4	2.8	19.4
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Table 6. Planned Measures for Gas Commercial and Industrial Programs

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Program	Measure	Quantity	Incentive / Quantity	Total Incentives	Total Annual Gas Savings (MMBtu)	Total Lifetime Gas Savings (MMBtu)	Annual Carbon Reductions (Short Tons)	Lifetime Carbon Reductions (Short Tons)
1	Large C&I New Construction	Boiler - 96% AFUE	25	\$30.00	\$750	22.4	448.0	1.5	29.3
2	Large C&I New Construction	Boiler - 95% AFUE < 300 MBU	19	\$30.00	\$570	17.0	340.5	1.1	22.2
3	Large C&I New Construction	BOILER RESET 1 STAGE	75	\$30.00	\$2,250	67.2	1,344.0	4.4	87.8
4	Large C&I New Construction	CODES AND STANDARDS	358	\$0.00	\$0	358.0	7,160.0	20.9	418.9
5	Large C&I New Construction	Combo Condensing Boiler/ Water Heater - 95% AFUE	1,562	\$20.00	\$31,240	1,399.6	27,991.0	91.4	1,827.5
6	Large C&I New Construction	Comprehensive Design	327	\$40.00	\$13,080	282.0	4,511.7	18.6	296.9
7	Large C&I New Construction	Condensing Boiler - <= 300 mbh	415	\$30.00	\$12,450	371.8	7,436.8	24.3	485.6
8	Large C&I New Construction	Condensing Boiler - 1701+ mbh	331	\$30.00	\$9,930	296.6	5,931.5	19.4	387.3
9	Large C&I New Construction	Condensing Boiler - 300-499 mbh	56	\$30.00	\$1,680	50.2	1,003.5	3.3	65.5
10	Large C&I New Construction	Condensing Boiler - 500-999 mbh	720	\$30.00	\$21,600	645.1	12,902.4	42.1	842.4
11	Large C&I New Construction	Condensing Boiler - 1000-1700 mbh	415	\$30.00	\$12,450	371.8	7,436.8	24.3	485.6
12	Large C&I New Construction	Condensing Water Heater, 90%MIN 75-800	843	\$29.01	\$24,455	630.6	9,458.5	49.3	739.7
13	Large C&I New Construction	ERV - Rotary Wheel UPSTR	2,000	\$16.55	\$33,100	1,496.0	22,440.0	117.0	1,755.0
14	Large C&I New Construction	ERV - Fixed Plate UPSTR	1,400	\$19.31	\$27,034	1,047.2	15,708.0	81.9	1,228.5

15	Large C&I New Construction	Fryer, Upstream	5,168	\$16.60	\$85,789	3,865.7	46,388.0	302.3	3,627.9
16	Large C&I New Construction	Gas Oven Upstream-Combination Oven	342	\$11.79	\$4,032	255.8	3,069.8	20.0	240.1
17	Large C&I New Construction	Gas Oven Upstream - Convection Oven	1,678	\$30.81	\$51,699	1,255.1	15,061.7	98.2	1,178.0
18	Large C&I New Construction	Gas Oven Upstream - Conveyor Oven	265	\$12.44	\$3,297	198.2	2,378.6	15.5	186.0
19	Large C&I New Construction	Gas Oven Upstream - Rack Oven	151	\$4.97	\$750	112.9	1,355.4	8.8	106.0
20	Large C&I New Construction	Griddle, Upstream	76	\$14.51	\$1,103	56.8	682.2	4.4	53.4
21	Large C&I New Construction	Heat Recovery - Seasonal	2,782	\$16.00	\$44,512	2,196.4	32,946.7	144.5	2,168.0
22	Large C&I New Construction	Heat Recovery - Year Round	2,782	\$16.00	\$44,512	2,196.4	32,946.7	144.5	2,168.0
23	Large C&I New Construction	Heat Recovery - All	2,782	\$16.00	\$44,512	2,196.4	32,946.7	144.5	2,168.0
24	Large C&I New Construction	INFRARED HEATER - LOW INT	2,128	\$19.20	\$40,858	1,906.7	32,413.7	124.5	2,116.3
25	Large C&I New Construction	Low Flow Cooking Spray Nozzle, Upstream	627	\$6.58	\$4,126	469.0	3,752.0	36.7	293.4
26	Large C&I New Construction	Other Gas - Seasonal	1,597	\$16.00	\$25,552	1,260.9	15,130.4	83.0	995.6
27	Large C&I New Construction	Other Gas - Year Round	1,597	\$16.00	\$25,552	1,260.9	16,391.2	83.0	1,078.6
28	Large C&I New Construction	Other Gas - All	117	\$16.00	\$1,872	92.4	1,385.6	6.1	91.2
29	Large C&I New Construction	Pasta Cooker, Upstream	981	\$16.05	\$15,745	733.8	8,805.5	57.4	688.7
30	Large C&I New Construction	Steam boiler	793	\$25.00	\$19,825	626.1	12,521.8	41.2	824.0
31	Large C&I New Construction	Steamer, Upstream	163	\$4.86	\$792	121.9	1,463.1	9.5	114.4
32	Large C&I New Construction	WATER HEATER - INDIRECT	291	\$21.03	\$6,120	217.7	3,265.0	17.0	255.4
33	Large C&I New Construction	Water Heater - On-Demand 90	1,478	\$7.79	\$11,514	1,105.5	18,794.2	86.5	1,469.9
34	Large C&I New Construction	Water Heating Boiler - 94% TE	10,667	\$10.81	\$115,310	7,978.9	159,578.3	624.0	12,480.4
35	Large C&I Retrofit	Building operator certification	1,336	\$0.00	\$0	1,197.1	5,985.3	78.2	390.8
36	Large C&I Retrofit	Custom Other	6,644	\$25.00	\$166,100	5,245.6	78,683.7	345.2	5,177.7

37	Large C&I Retrofit	Heat Recovery - Seasonal	1,763	\$29.00	\$51,127	1,391.9	20,878.9	91.6	1,373.9
38	Large C&I Retrofit	Heat Recovery - Year Round	1,763	\$29.00	\$51,127	1,391.9	20,878.9	91.6	1,373.9
39	Large C&I Retrofit	Heat Recovery - All	1,763	\$29.00	\$51,127	1,391.9	20,878.9	91.6	1,373.9
40	Large C&I Retrofit	HVAC - Controls and EMS	5,807	\$30.00	\$174,210	4,584.7	45,847.5	301.7	3,017.0
41	Large C&I Retrofit	HVAC - Equipment	10,870	\$30.00	\$326,100	8,582.1	128,731.4	564.7	8,471.1
42	Large C&I Retrofit	Operation & Maintenance	15,401	\$11.50	\$177,112	12,159.4	60,797.1	800.1	4,000.7
43	Large C&I Retrofit	Other Gas - All	281	\$32.00	\$8,992	221.9	3,327.8	14.6	219.0
44	Large C&I Retrofit	Programmable thermostat	83	\$20.00	\$1,660	74.4	1,115.5	4.9	72.8
45	Large C&I Retrofit	Steam Trap, Custom - Low Pressure	18,618	\$12.00	\$223,416	18,618.0	55,854.0	1,089.2	3,267.5
46	Large C&I Retrofit	Steam Trap HVAC - High Pressure	1,452	\$22.00	\$31,944	1,452.0	4,356.0	84.9	254.8
47	Large C&I Retrofit	Steam Trap HVAC - Low Pressure	1,452	\$22.00	\$31,944	1,452.0	4,356.0	84.9	254.8
48	Large C&I Retrofit	Ventilation Reduction	3,564	\$22.00	\$78,408	2,813.9	33,766.2	185.2	2,222.0
49	Large C&I Retrofit	Verified savings	4,026	\$22.00	\$88,572	3,178.6	41,321.9	209.2	2,719.2
50	Large C&I Retrofit	VSDs - Non-HVAC	7,187	\$30.00	\$215,622	5,674.6	85,119.0	373.4	5,601.2
51	Large C&I Retrofit	WiFi Thermostat - Heat Only, Custom	396	\$23.00	\$9,108	430.8	6,462.7	23.2	347.5
52	Large C&I Retrofit	WiFi Thermostat Gas - Cooling and Heating	396	\$23.00	\$9,108	354.8	5,322.2	23.2	347.5
53	Large C&I Retrofit	WiFi Thermostat Gas - Heating	396	\$23.00	\$9,108	354.8	5,322.2	23.2	347.5
54	Small Business Direct Install	Building Shell	1,200	\$63.75	\$76,500	879.2	15,825.9	62.3	1,122.2
55	Small Business Direct Install	DHW	400	\$22.50	\$9,000	293.1	3,516.9	20.8	249.4
56	Small Business Direct Install	Duct Insulation	1,000	\$67.50	\$67,500	825.0	16,500.0	58.5	1,170.0
57	Small Business Direct Install	Faucet aerator	1,000	\$22.50	\$22,500	825.0	2,475.0	58.5	175.5
58	Small Business Direct Install	HVAC - Controls and EMS	25	\$18.75	\$469	18.3	183.2	1.3	13.0
59	Small Business Direct Install	HVAC - Equipment	964	\$18.75	\$18,075	706.3	10,594.6	50.1	751.3

60	Small Business Direct Install	Insulation Pipe H2O - Diameter 1.5in	200	\$22.50	\$4,500	165.0	2,475.0	11.7	175.5
61	Small Business Direct Install	Insulation Pipe H2O - Diameter 2in	200	\$22.50	\$4,500	165.0	2,475.0	11.7	175.5
62	Small Business Direct Install	Insulation Pipe Steam - Diameter 1.5in	100	\$22.50	\$2,250	82.5	1,237.5	5.9	87.8
63	Small Business Direct Install	Insulation Pipe Steam - Diameter 2in	100	\$22.50	\$2,250	82.5	1,237.5	5.9	87.8
64	Small Business Direct Install	Low-flow showerhead	788	\$18.75	\$14,775	650.1	6,501.0	46.1	461.0
65	Small Business Direct Install	Other, Custom	3,000	\$60.00	\$180,000	2,198.0	32,970.7	155.9	2,337.9
66	Small Business Direct Install	Pipe/Tank/Duct/HVA C Insulation	100	\$22.50	\$2,250	73.3	1,099.0	5.2	77.9
67	Small Business Direct Install	Pre-rinse spray valve	788	\$18.75	\$14,775	650.1	3,250.5	46.1	230.5
68	Small Business Direct Install	Programmable thermostat	1,100	\$30.00	\$33,000	907.5	13,612.5	64.4	965.3
69	Small Business Direct Install	Salon Nozzle	788	\$15.00	\$11,820	650.1	1,950.3	46.1	138.3
70	Small Business Direct Install	WiFi Thermostat - cooling and htg	25	\$21.00	\$525	20.6	309.4	1.5	21.9
71	Small Business Direct Install	WiFi Tstat-heat only	25	\$21.00	\$525	20.6	309.4	1.5	21.9
72	C&I Multifamily	Air Sealing	122	\$100.00	\$12,200	83.0	1,659.2	7.1	142.7
73	C&I Multifamily	Faucet aerator	6	\$5.00	\$30	1.0	3.0	0.1	0.2
74	C&I Multifamily	Heating, Custom	2,902	\$163.00	\$473,026	2,902.0	43,530.0	169.8	2,546.5
75	C&I Multifamily	Hot Water, Custom	514	\$176.00	\$90,464	514.0	9,252.0	30.1	541.2
76	C&I Multifamily	Low Flow Showerhead	102	\$25.00	\$2,550	111.0	1,664.8	7.0	104.7
77	C&I Multifamily	MF Shell Insulation	350	\$140.00	\$49,000	238.0	5,950.0	20.5	511.9
78	C&I Multifamily	Pipe Wrap (Water Heating)	120	\$3.00	\$360	15.1	195.9	0.9	12.3
79	C&I Multifamily	Programmable thermostat	16	\$125.00	\$2,000	12.1	229.6	1.5	28.7

2025 Evaluation, Measurement, and Verification Plan

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1. INTRODUCTION

Evaluation, Measurement, and Verification (EM&V) is an integral and required part of Rhode Island Energy's energy efficiency program planning process. EM&V provides independent verification of impacts to ensure that savings and benefits claimed by the Company through its energy efficiency programs are accurate and credible. EM&V also provides insight into market characteristics and guidance on energy efficiency program design to improve the delivery of cost-effective programs.

The Company's EM&V Plan continues to focus on evaluating Rhode Island projects, markets, and energy efficiency programs while leveraging as many resources as possible from evaluation studies in other jurisdictions to maximize value for ratepayers while minimizing costs. These studies are commissioned by the Company. They are conducted by independent evaluation firms, whose goal is to produce an accurate, complete, and transparent review of Rhode Island's energy efficiency programs and markets. The types of evaluation may include (but not limited to) the following:

- **Impact Evaluations:** Comparisons of claimed savings against actual realized savings using methods such as literature review, billing analyses, engineering methods and onsite data logging as a means of verification.
- **Process Evaluations:** Broad examinations of existing practices, such as program delivery methods, for the purpose of gathering information to draw conclusions about effectiveness of existing processes, highlight best practices, and offer suggestions for future improvements.
- **Market Assessment Studies:** Broad studies aimed at assessing changes in market conditions, such as evolving adoption rates of current energy efficiency technologies.
- **Net-to-Gross Evaluations:** Studies aimed at quantifying the rate of free-ridership and spillover associated with energy efficiency participants and non-participants.

The free-ridership rate is the percentage of savings attributable to participants who would have installed the measures in the absence of program intervention while spillover includes the effects of two components:

1. Participants in the program who install additional energy efficient measures outside of the program as a result of participating in the program, and
2. Non-participants who install energy efficient measures as a result of being aware of the program

The study methodologies and savings assumptions from evaluation studies are documented in the Rhode Island Technical Reference Manual (TRM). The TRM is reviewed and updated annually to reflect changes in technology, baselines, and evaluation results.

The entire evaluation process is managed by the Company in consultation with the Rhode Island Energy Efficiency Resource Management Council (EERMC) and the Office of Energy Resources (OER). The

EERMC and OER follow each study closely and are involved in planning, work plan development, and review of interim work products and study results.

The Company's EM&V framework provides confidence among ratepayers and stakeholders that programs are effective and EM&V activities are independent and objective.

2. EVALUATION STUDIES APPLICABLE TO 2025

2.1 Overview

The Company, with input from EERMC and OER, expects to complete twelve Rhode Island-specific evaluation studies in 2024 that will be applied beginning in 2025 (see Section 2.2 below).¹ The research studies include impact evaluations, process evaluations, and market studies in the residential and commercial and industrial (C&I) sectors, as well as studies that are considered cross-cutting.

A complete list of historical research studies is provided in Section 4 along with a brief summary of the impact of those results in planning the Company's programs. Most of these studies are posted on the EERMC website.² Prior year studies that have been superseded by studies completed since the filing of the 2024 Energy Efficiency Plan have been removed from this list.

Section 5 provides detailed descriptions, findings, and recommendations of each of the Rhode Island-specific studies listed in the next section. In addition, selected research studies completed in other regions and/or other jurisdictions, most commonly Massachusetts,³ are periodically reviewed for applicability to Rhode Island due to similarity with RI Energy's programs, either in the measures offered, or program structure or delivery. In some instances, the results of these other evaluations have been judged by the Company, in consultation with EERMC and OER, to be applicable to Rhode Island Energy's efficiency programs. The Company is adopting the results of these studies in 2025 program planning due to similarity, either in the measures offered, or program structure or delivery

2.2 Recent Rhode Island-Specific studies

The following studies have been completed since the 2024 Annual Plan filing or are expected to be completed before the end of 2024.

Commercial

- C&I New Construction Baseline Study (RI-22-CX-Codes)

¹ Quantitative studies expected to be completed after approximately August 15, 2024, will not be used in program planning

² <https://EERMC.ri.gov/data-and-publications/> then scroll to "Program Evaluation Studies."

³ Prior to May 2022, Narragansett Electric Company was part of National Grid, which has affiliates in Massachusetts, and which facilitated the leveraging of evaluation studies.

- C&I Free-Ridership and Spillover Study (RI-23-CX-FRSO)
- Impact Evaluation of PY2022 Custom Gas Installations (RI-23-CG-CustGasPY22)
- Impact Evaluation of PY2022 Custom Electric Installations (RI-23-CE-CustElecPY22)
- Process Evaluation of C&I New Construction Program (RI-24-CX-CINCPProcess)
- Commercial and Industrial Market Research (RI-24-CX-MarketResearch)
- Process Evaluation of C&I Custom Approach (RI-24-CX-CustProcessEval)

Residential and Income-Eligible

- Income Eligible Single Family Impact Evaluation (RI-24-RX-IncEligible)
- Residential Market Research (RI-24-RX-MarketResearch)

Cross-cutting

- Comprehensive Measure Life Review, Phase II (RI-24-XX-MeasureLife2)
- Multifamily Custom Measure Impact Evaluation (RI-24-XX-MultiFamCustom)

2.3 Recent Studies Adopted from Other Jurisdictions

Commercial

- Non-Residential Technical Reference Manual Review (MA22C01-B_TRM-Review)
- Steam Traps and Boiler Efficiency Research – Phase II (MA20C02-G-ST)
- ISP Recommendations: Ultra-Low Temperature Freezers (MA23C02-B-ISPREPOS)
- Massachusetts Impact Shape Update

Residential

- Massachusetts Residential Building Use and Equipment Characterization Study, Phase 7
- Residential Heat Pumps NEIs Study (MA21X21-E-RHPNEI)

3. 2025 PLANNED EVALUATION STUDIES

3.1 Overview

This section describes planned studies that focus on areas of interest to the Rhode Island Energy energy efficiency programs and build on the deep history of evaluation studies commissioned by the Company over numerous years. To optimize the use of evaluation resources, where programs are considered to

be similar in program delivery and population served with those offered in Massachusetts, the Company will consider avenues to participate in Massachusetts studies.⁴

3.2 Summary

Table 2 lists evaluation studies that the Company plans to conduct in 2025 to inform the 2026 Annual Plan and future planning cycles. Barring changes to the 2025 Annual Plan schedule, studies that will be incorporated into the Annual Plan must be completed by August 2024. The proposed budget for evaluation study expenditures in 2025 is approximately \$2.7 million (\$2.1 million for electric and \$0.6 million for gas), including staffing costs. The proposed budget for EM&V comprises approximately 2.3% of the total portfolio budget in 2025.

Study labeling codes take the general form shown in Table 1. For example, RI-17-CG-CustGas refers to the Custom Gas Evaluation Study that started in 2017 in the commercial sector for gas, while RI-18-RX-IESF refers to evaluation study started in 2018 of the income eligible single-family program for electric and gas.

Table 1. Study Labeling Code Format

[State]	–	[Year Study Conducted]	–	[Sector]	[Fuel]	–	[Keyword]
RI		22		R = residential	E = electric		
		23		C = commercial	G = gas		
		24		X = cross sector	X = electric & gas		

Table 2. Planned Evaluation Studies in 2025

	(a)	(b)	(c)	(d)	(e)
	Sector	Study Code	Type	Affected Programs	Study Name
1	C&I	RI-24-CE-Lighting	Impact	C&I Elec	Market Characterization and Impact Evaluation of C&I Lighting Controls (ongoing)
2	C&I	RI-24-CG-CustGasPY23	Impact	C&I Gas	Impact Evaluation of Custom Gas Installations (ongoing)
3	C&I	RI-24-CE-CustElecPY23	Impact	C&I Elec	Impact Evaluation of Custom Electric Installations (ongoing)

⁴ Despite no longer being part of National Grid, the Company plans to stay abreast of Massachusetts evaluation activities that may be beneficial and applicable in Rhode Island and follow through as appropriate.

4	C&I	RI-25-CX- ISPResearch	Impact	C&I	Commercial and Industrial Industry Standard Practice Research
5	C&I	RI-25-CE- CommLighting	Impact	C&I Elec	Commercial and Industrial Lighting
6	C&I	RI-25-CX- ExistCommissioning	Process	C&I	Existing Building Commissioning Process Evaluation
7	C&I	RI-25-CE- CIHeatPumps	Process/Market	C&I Elec	Research for C&I Heat Pumps
8	Residential	RI-25-RX- MarketResearch	Market	Residential	Residential Market Research
9	Residential	RI-25-RX-RASS	Market	Residential	Residential Appliance Saturation Study
10	Residential	RI-25-RE-Products	Impact/ Market	Residential Electric	Residential Products Impact and Market Effects Evaluation
11	Residential	RI-25-RE- HeatPumpApp	Impact	Residential	Heat Pump Study Review and Application
12	Residential	RI-25-RX-MFPresc	Impact	Residential	EnergyWise and Income-Eligible Multifamily Impact Evaluation
13	Residential	RI-25-RX-ResQAQC	Process	Residential	Residential & Income-Eligible QA/QC Process Evaluation
14	Cross-Cutting	RI-25-XX-TMYx	Impact	All	TMY3 to TMYx Savings Review and Adjustments

The evaluation pathway for pilots, demonstrations, and assessments is based on each effort's scale, budget, scope, and the availability of external data. The Company's EM&V team will provide guidance beginning at the Plan stage for all pilots, demonstrations, and assessments to ensure design and data collection are suitable to allow for effective evaluation. In cases where an independent evaluation is appropriate, the EM&V team will run the evaluation. For guidelines on the stakeholder review process and which pilots, demonstrations, and assessments will receive an independent evaluation, please see Attachment 7. The evaluation will follow the same established evaluation framework used in evaluations of established programs. This includes management of the independent evaluation vendor by the Company's EM&V team in consultation with the EERMC and OER. See Attachment 7 for further details on pilots, demonstrations, and assessments.

The EM&V team will follow the Company's standard procurement policy that cuts across programs in order to achieve the lowest cost procurement of required external services while enabling the Company to minimize administrative costs, deliver on program commitments, and meet time-sensitive regulatory deadlines. The Company's standard procurement policy is supported and enforced by a stand-alone internal procurement function. Contract characteristics below certain thresholds are eligible for sole sourcing while contract characteristics above thresholds require competitive procurement - unless it can be demonstrated to the procurement organization that securing multiple bids is not possible or practical.

Final reports along with graphical executive summaries will be made publicly available upon completion of the evaluation studies. All complete graphical executive summaries will be provided as a handout at EERMC meetings and posted on the EERMC website.⁵

3.3 Commercial and Industrial Planned Studies

RI-24-CG-CustGasPY23 - Impact Evaluation of PY2023 Custom Gas Installations (Continuing)

The objective of this impact evaluation is to provide verification of natural gas energy savings estimates for a sample of custom gas projects through site-specific inspection, metering, and analysis. The results of this study will be used to determine the realization rates for custom gas energy efficiency offerings based on installations from 2023. This will continue 'rolling' evaluation efforts, where each year will evaluate roughly 1/3 of the number of sites needed for a full sample and results will be combined with results from the previous two years, which will keep the realization rates updated yearly. This study began in summer 2024 and will continue into 2025 at which time a new cohort from 2024 will be studied.

RI-24-CE-CustElecPY23 – Impact Evaluation of PY2023 Custom Electric Installations (Continuing)

The objective of this impact evaluation is to provide verification of electric energy savings estimates for a sample of non-lighting custom electric projects through site-specific inspection, metering, and analysis. The results of this study will be used to determine the realization rates for custom electric energy efficiency offerings based on installations from 2023. This will continue 'rolling' evaluation efforts, where each year will evaluate roughly 1/3 of the number of sites needed for a full sample and results will be combined with results from the previous two years, which will keep the realization rates updated yearly. This study began in summer 2024 and will continue into 2025 at which time a new cohort from 2024 will be studied.

RI-24-CE-Lighting - Impact Evaluation of C&I Lighting Controls (Continuing)

⁵ <https://EERMC.ri.gov/data-and-publications/> scroll down to EM&V Studies

Lighting efficiency continues to be a significant contributor to savings in the C&I Electric portfolio, and it has been five years or more since C&I lighting was studied in an impact evaluation. This study focuses on lighting controls, which will continue to be an important part of the C&I portfolio even as incentives for luminaires are phased out.

RI-25-CX-ISPResearch - Commercial and Industrial Industry Standard Practice Research

The objective of this study is to better understand what the baseline or industry standard practice (ISP) is for certain technologies. There are a few potential areas of investigation: One area is air compressors, where many projects use load/no load as the baseline, but VFD (variable frequency drive) compressors are ever more common and could be standard practice. There may be an opportunity to study compressor ISP jointly with Massachusetts. The second potential area is a cannabis grow facility ISP study, particularly with regards to horticulture lighting. This is an emerging area in the state with great potential for efficiency. However, since it is emerging, there are varying views about what baseline practices are. These questions could be resolved with an ISP study. Other areas under consideration are variable frequency drives and changes related to adoption of the IECC 2024 building code. The Company will determine the specific area for investigation in late 2024 or early 2025.

RI-25-CE-CommLighting - Commercial and Industrial Lighting

This study would be a low- to medium-rigor evaluation to look at lighting impacts. Even while lighting savings are diminishing, they still make up a significant portion of the Company's resource portfolio in ISO-New England's Forward Capacity Market. ISO-New England M&V guidelines express a preference for studies that are less than five years old. While ISO-NE allows justification for the use of older studies, the Company believes it would be preferable to update the lighting impacts.

RI-25-CX-ExistCommissioning - Existing Building Commissioning Process Evaluation

The Company has been offering incentives for retrocommissioning of existing buildings for several years but has not seen a large amount of participation. It has also not been the focus of an evaluation study. This process evaluation would examine participation trends and barriers and identify areas to increase participation.

RI-25-CE-CIHeatPumps - Research for C&I Heat Pumps

The Company would focus this research on assessing the C&I Small Business Market to prepare for electric resistance heat to heat pump conversions. It may focus on assessing the size of the market, identifying successful implementation efforts from other jurisdictions and creating modeling algorithms and tools to help predict savings for customers.

3.4 Residential and Income-Eligible Planned Studies

RI-25-RX-MarketResearch – Residential Market Research

There are several areas of potential interest for additional market research to support delivery of Residential energy efficiency programs. The focus would be to identify opportunities for the RI team to improve program design and delivery to be inclusive of all customers, and also investigate the opportunities for leveraging outside funding for particular programs or measures. Research related to electrification will be carefully considered to make sure it is consistent with the Company's energy efficiency implementation efforts. The Company will determine the specific area for investigation in late 2024 or early 2025.

RI-25-RX-RASS – Residential Appliance Saturation Study

An appliance saturation survey is the means by which the Company can learn about the penetration of certain types of equipment in customers' dwellings. The last time such a study was done in Rhode Island was 2018. Updating this information, particularly as the focus of the residential programs has moved away from efficient lighting, will provide valuable insights on emerging opportunities. The study would focus primarily on emerging measures and rely on a combination of virtual self-audit tools and a more limited number of onsite verification visits to balance study cost with the reliability of the resulting data.

RI-25-RE-Products – Residential Products Impact and Market Effects Evaluation

This study would focus on non-lighting / non-refrigeration recycling measures in the Residential Products programs, which have not been the subject of an impact evaluation study for several years. These measures contribute a non-negligible amount of savings to the electric portfolio and there are sufficient non-lighting and non-refrigeration recycling savings to justify a study. The study would include a component to determine free-ridership and spillover rates for the covered measures.

RI-25-RX-MFPresc – EnergyWise and Income-Eligible Multifamily Impact Evaluation

This study would evaluate the performance of prescriptive measures, in both the EnergyWise and Income Eligible Multifamily programs; these were last studied in 2019.

RI-25-RX-HeatPumps – Heat Pump Study Review and Application

This study is to obtain Rhode Island-specific useful information from the recently completed Massachusetts and Connecticut study. The MA/CT study covered many different types of baseline configurations and installations. The effort proposed here would be to work with that study's evaluator to leverage and analyze a subset of data for application to Rhode Island Energy's program offerings.

RI-25-RX-ResQAQC – Residential & Income-Eligible QA/QC Process Evaluation

The objective of this study is to understand the effectiveness of implementation QA/QC processes. Among other things, field-based QA/QC affects customer acceptance of energy efficiency, customer satisfaction, savings, and savings persistence. As a first step in this study, the independent evaluator will

map out external QA/QC processes for residential programs and compliance with them; then determine if fuller investigation is warranted.

3.5 Cross-sector or Other Planned Studies

RI-25-XX-TMYx - TMY3 to TMYx Savings Review and Adjustments

Typical Meteorological Year (TMY) data that is the basis for the calculation of savings for many weather-sensitive measures has been updated. A new data set, TMYx, has been created, updating the prior data set, TMY3, which is about 20 years old. The new data set reflects the warmer climate. This study will review savings calculations in the Rhode Island TRM and identify those measures for which savings calculations may need to be updated. It will map out a process and timeline for updating the savings calculations and begin that process.

4. HISTORIC EVALUATION STUDIES

This section contains a list of all historic studies still being used by the Company as the basis of claimed savings in the 2024 Program Plan and in the Technical Reference Manual. An at-a-glance summary in Table 3 shows the studies by program, followed by the more detailed Table 4 summarizing the relevant studies. These studies are available through the EERMC, the PUC, and Rhode Island Energy. Table 3. Historic Evaluation Studies

	(a)	(b)	(c)	(d)	(e)	(f)
	Sector/Program	Impact	Market	Process	Policy	For 2025 studies, year of prior study
1	Residential					
2	EnergyWise Multifamily			2020		
3	<i>Custom</i>	2024				
4	<i>Prescriptive</i>	2025				2020
5	EnergyWise Single Family	2020		2020		
6	<i>Weatherization</i>	2023				
7	Home Energy Reports	2020		2017		
8	Residential Consumer Products		2025			2018
9	<i>Appliance Recycling</i>	2021				
10	<i>Non-Recycling and Refrigeration</i>	2025				2019
11	Residential HVAC					
12	<i>Heat Pumps</i>	2025	2024			2016

13	Residential New Construction	2023				
14	<i>Code Compliance</i>	2017				
15	Income Eligible					
16	Income Eligible Multifamily			2020		
17	<i>Custom</i>	2024				
18	<i>Prescriptive</i>	2025				2020
19	Income Eligible Single Family	2024				
20	Commercial & Industrial					
21	Large C&I New Construction			2024		
22	<i>Code Compliance</i>	2017				
23	<i>Baseline</i>		2024			
24	Large C&I Retrofit					
25	<i>Commissioning</i>			2025		None
26	Large C&I Custom			2024		
27	<i>C&I Custom Electric</i>	2025				2024
28	<i>C&I Custom Gas</i>	2025				2024
29	<i>C&I Custom CDA</i>	2018				
30	Large C&I ISP	2025				2023
31	Large C&I Prescriptive					
32	<i>C&I Lighting Controls</i>	2025	2025			None
33	<i>C&I Lighting</i>	2025	2022			2021
34	<i>C&I Heat Pump</i>		2025			2020
35	<i>C&I Other</i>	2023				
36	Small Business Direct Install			2023		
37	<i>Electric</i>	2020				
38	<i>Gas</i>	2019				
39	C&I Multifamily					
40	<i>Custom</i>	2024				
41	<i>Prescriptive</i>	2025				2020
42	Cross Cutting/Other					
43	<i>Avoided Cost</i>				2024	
44	<i>C&I Free Ridership/Spillover</i>		2024			
45	<i>Economic Impacts</i>	2023				
46	<i>Gas Peak Demand</i>	2021				
47	<i>Measure Life</i>	2024				

48	<i>Non-Participant</i>		2022			
49	<i>Piggybacking</i>			2020		
50	<i>Potential Study</i>		2020			
51	<i>RASS</i>		2025			2018
52	<i>Resi & Income Eligible QA/QC</i>			2025		None
53	<i>Resi Participation</i>		2022			
54	<i>TMY3 to TMYx</i>	2025				None
55	<i>Workforce Analysis</i>		2023			

Table 4. Completed Evaluation Studies Applicable in 2025

2024			
	(a) Study	(b) Impact Descriptions	(c) Sector
1	Cadeo, Comprehensive Measure Life Review II, September 2024	The study reviewed prescriptive measure life assumptions and ensured they aligned with recent research, Rhode Island evaluation studies, and industry best practices. The study also recommended measure life updates when appropriate.	All
2	Illume, Electric Resistance Heat Characterization Study (Draft)	The study identified the needs of homeowners and landlords with electric resistance heat and ways to overcome barriers heat pump adoption	Res
3	DNV, Rhode Island Swarm Thermostats – Technology Evaluation Pilot. March, 2024	The evaluation calculated the impacts of installing the Swarm Logic control technology at four sites equipped with HVAC units controlled by Wi-Fi thermostats.	C&I
4	Synapse Energy Economics, Avoided Energy Supply Components in New England 2024 Report. February, 2024	The study developed new estimates of avoided costs associated with energy efficiency measures for program administrators throughout New England States. Rhode Island used the avoided costs of energy, capacity, natural gas, fuel oil, environmental costs and demand reduction induced price effects resulting from this study for 2025 program planning.	All
5	Tetra Tech, 2022 Commercial and Industrial Programs Free-Ridership and Spillover Study, January 2024	The study updated free-ridership and spillover rates for the C&I program.	C&I
6	DNV, Impact Evaluation of PY2022 Custom Gas Installations, August 2024	The study updated realization rates for custom electric projects, as part of a rolling	C&I

		effort that incorporated results from PY2020, PY2021, and PY2022.	
7	DNV, Impact Evaluation of PY2022 Custom Electric Installations, August 2024	The study updated realization rates for custom gas projects, as part of a rolling effort that incorporated results from PY2020, PY2021, and PY2022.	C&I
8	DNV, ISP Recommendations: Ultra Low Temperature Freezers, September 2023 (Leveraged from MA)	The study investigated industry standard practice for ultra-low temperature freezers and updated the baseline from the results.	C&I
9	Cadeo, Non-Residential Technical Reference Manual Review, October 2022 (Leveraged from MA)	The study performed a comprehensive review of the non-residential prescriptive measures in the MA TRM and recommended updates for key parameters.	C&I
10	Steam Traps and Boiler Efficiency Research Phase II, November 2022 (Leveraged from MA)	The study conducted research of steam trap projects practices and boiler plant efficiency measurements to improve project accuracy.	C&I
11	Guidehouse, MA Residential Building Use and Equipment Characterization – Phase 7, December 2023 (Leveraged from MA)	The study collected saturation, characterization, and usage behavior data for major appliances, HVAC equipment, and electronics in MA homes. The study updated residential load shapes based on the findings.	Res
12	DNV, MA Impact Shape Final, February 2024 (Leveraged from MA)	The study updated commercial loadshapes for end uses such as, refrigeration, compressed air, food service, water heating, etc.	C&I
13	NMR Group, Residential Heat Pump NEIs Study, July 2023 (Leveraged from MA)	The study updated NEIs for heat pump related measures.	Res
2023			
	(a) Study	(b) Impact Descriptions	(c) Sector
14	Cadeo & NMR, Residential New Construction and Code Compliance Study, May 2023	The study updated the User Design Reference Home baseline measure level efficiencies, observed how building practices have changed over time, and identified the level of code compliance.	Res
15	Cadeo, Comprehensive Measure Life Review, August 2023	The study reviewed prescriptive measure life assumptions and ensured they aligned with recent research, Rhode Island evaluation studies, and industry best practices. The study also recommended measure life updates when appropriate.	Cross-Cutting
16	Cadeo, EnergyWise Single Family Weatherization Impact Evaluation, August 2023	The study updated the gross energy savings for EWSF's weatherization measures, for both primary and secondary heating and cooling. The evaluation accounted for	Res

		energy savings associated with natural gas, electricity and/or delivered fuels (oil, propane, and wood).	
17	DNV, Impact Evaluation of PY2021 Custom Gas Installations, August 2023	The study updated realization rates for custom gas projects, as part of a rolling effort that incorporated results from PY2019, PY2020, and PY2021.	C&I
18	DNV, Impact Evaluation of PY2021 Custom Electric Installations, August 2023	The study updated realization rates for custom electric projects, as part of a rolling effort that incorporated results from PY2019, PY2020, and PY2021.	C&I
19	DNV, Rhode Island Commercial Food Service Equipment ISP, August 2023	The study characterized industry standard practice in RI for commercial kitchen equipment by incorporating the 2023 appliance standards and prevalence of used equipment in the marketplace.	C&I
20	Cadeo, Small Business Program Process Evaluation, August 2023	The study assessed program activities and identified opportunities for program enhancement for the small business program.	C&I
21	BW Research Partnership, Rhode Island Energy Workforce Development, August 2023	The study quantified the current energy efficiency workforce in RI, identified needs and opportunities for the future, highlighted workforce development gaps and potential solutions, and identified potential roles for RI Energy in supporting energy efficiency workforce development in RI.	Cross-Cutting
2022			
	(a) Study	(b) Impact Descriptions	(c) Sector
22	DNV, C&I Lighting Market Characterization and Adjusted Measure Life Study, August 2022	The study calculated adjusted measure lives for non-residential custom and prescriptive lighting measures for RI.	C&I
23	DNV, Impact Evaluation of PY2020 Custom Gas Installations, August 2022	The study updated realization rates for custom gas projects, as part of a rolling effort that incorporated results from PY2018, PY2019, and PY2020.	C&I
24	DNV, Impact Evaluation of PY2020 Custom Electric Installations, August 2022	The study updated realization rates for custom electric projects, as part of a rolling effort that incorporated results from PY2018, PY2019, and PY2020.	C&I
25	DNV, Rhode Island Cannabis Industry Standard Practice, August 2022	The study identified industry standard practices for the medical market cannabis industry with a focus	Cross-Cutting

		on horticultural lighting, lighting controls, cultivation area HVAC, HVAC controls, and dehumidification.	
26	Cadeo, Nonparticipant Market Barriers Study, June 2022	The study characterized the customer groups not participating in Rhode Island Energy's energy efficiency programs, determined barriers to participation, and identified opportunities to engage nonparticipants.	Cross-Cutting
27	Cadeo, Participation and Multifamily Census Study, June 2022	The study identified trends and drivers in participation and the likelihood of nonparticipants opting into a residential program in the future. The study also developed an algorithm to identify multifamily buildings suitable for RIE's multifamily programs.	Cross-Cutting
28	DNV, O&M and Non-O&M NEI Study (MA20X10-B-CIOMNEI), October 2021	This study developed O&M and non-O&M non-energy impacts (NEIs) across all C&I measures and programs.	C&I
2021			
	(a) Study	(b) Impact Descriptions	(c) Sector
29	DNV, Impact Evaluation of PY2019 Upstream Lighting Program, July 2021	This study updated prospective realization rates and impact factors for the C&I Upstream lighting program. The values reflect decreasing ISR values for Screw-in products and increasing ISRs for linear products. These will be applicable for 2022, 2023, and beyond.	C&I
30	DNV, Franchise Controls Deemed Savings Study, March 2021 (Leveraged study from MA)	This study recommended a deemed savings value of 5,344 kWh for a building automation system (BAS) measure that controls small individual food service appliances.	C&I
31	DNV, Upstream Lighting NTG, June 2021 (Leveraged study from MA)	This study updated NTG values for upstream lighting technologies and adjusted the values down significantly due to heavy free ridership.	C&I
32	DNV, Ground Source Heat Pump eTRM Measure Review, March 2021 (Leveraged study from MA)	This study recommended that GSHPs be broken out from ASHPs into their own category offering in order to allow the program to attribute savings, baselines, and lifetimes in a more defensible way. It also recommended the GSHP lifetime be updated to 25 years.	C&I
33	DNV, Energy Management System ISP Study, 2021 (Leveraged study from MA)	This study identified industry standard practices for energy management systems, with a particular focus on criteria for determining when an existing system should be considered failed.	C&I
34	Guidehouse, RCD Virtual Assessment Study, March 2021 (Leveraged study from MA)	This study found that in-service rates are lower for self-installed measures. Rhode Island leveraged results from this study to update the in-service rates for instant savings measures in the EnergyWise Single Family program.	Res

35	Guidehouse, Comprehensive TRM Review, April 2021 (Leveraged study from MA)	This study updated savings assumptions and effective useful lives (EUL) of several residential measures in MA. Rhode Island adopted the results from this study to update savings and EUL assumptions for several measures in the residential programs.	Res
36	NMR, Low Income Multifamily Health NEI (TXC 50), July 2021 (Leveraged study from MA)	This study produced NEI values associated with energy efficiency programs in Income Eligible, Multifamily buildings. A total of 4 health and safety NEIs were monetized as part of this study. Arthritis, Thermal Stress (cold), Home Productivity, and reduced fire risk were all found to have Annual Per unit values of \$49, \$1,426, \$49, and \$13, respectively, totaling \$1536. These values are allocated to all applicable air sealing, insulation, and heating measures.	Res
37	NMR, Residential New Construction Quick Hit NEI Study (MA20X14-RNCNEI), September 2021 (Leveraged study from MA)	The study produced updated NEI values for heating related measures offered through the Residential New Construction program. The total Heating NEIs for RNC went from an Annual Per Unit value of \$117 to \$142.33 due to increases in thermal comfort and noise reduction related impacts.	Res
38	NMR, Residential Downstream/Upstream Products Net-to-Gross Study, June 2021 (Leveraged study from MA)	This study yielded prospective net-to-gross ratios and retrospective and prospective in-service rates for products supported by the Residential Retail or Residential Coordinated Delivery Initiatives. Rhode Island adopted the results from this study to update 2022 planning assumptions for ENERGY STAR Products program.	Res
39	NMR, Low-rise Residential New Construction Net-to-Gross Study, July 2021 (Leveraged study from MA)	This study yielded prospective and retrospective net-to-gross ratios for measures supported by the Low Rise Residential New Construction offering. Rhode Island adopted the results from this study to update 2022 planning assumptions.	Res
40	NMR, Renovations and Additions Net-to-Gross Study, July 2021 (Leveraged study from MA)	This study yielded prospective and retrospective net-to-gross ratios for measures supported by the Renovations and Additions Residential New Construction offering. Rhode Island adopted the results from this study to update 2022 planning assumptions.	Res
41	Guidehouse, Impact Analysis of Residential Wi-Fi Thermostats, September 2021 (Leveraged study from MA)	This study updated savings assumptions for programmable and Wi-Fi thermostats delivered through retail and direct install channels. Rhode Island adopted the draft results from this study to update savings for programmable and Wi-Fi thermostat measures in the residential HVAC and retrofit programs.	Res

42	Net-to-Gross Research of RCD and Select Products Measures (MA20R28)	For RI, the study applied new NTG results for the residential gas and electric HVAC programs.	Res
2020			
	(a) Study	(b) Impact Descriptions	(c) Sector
43	Cadeo, Impact and Process Evaluation of EnergyWise Single Family Program, September 2020.	This study updated gross savings, in-service rates, and net-to-gross ratios for the EnergyWise Single Family program.	Res
44	Cadeo, Impact and Process Evaluation of EnergyWise Multi Family Program, September 2020.	This study updated gross savings, realization rates, in-service rates, and net-to-gross ratios for the EnergyWise Multi Family program.	Res
45	Cadeo, Impact and Process Evaluation of Income Eligible Multi Family Program, September 2020.	This study updated gross savings, realization rates and in-service rates for the Income-Eligible Multi Family program.	Res
46	Cadeo, Impact Evaluation of Home Energy Reports Program 2017-2019, September 2020.	This study updated realization rates for the Home Energy Reports program.	Res
47	DNV GL, Impact Evaluation of 2017 Small Business Electric Installations, March 2020.	The study updated electric non-lighting impact factors for the Small Business initiative. RI leveraged the MA study of this initiative.	C&I
48	DNV GL, C&I Measure Life Study, March 2020.	This study informed Effective Useful Lives and Remaining Useful Lives for key C&I energy efficiency measures, updating the commercial boiler EUL. RI leveraged the MA study of this initiative.	C&I
49	The Brattle Group, The Road to 100% Renewable Energy by 2030 in Rhode Island, December 2020.	This study provided a high-level economic analysis of the key factors that will guide RI to meet 100% of the state's electricity demand by 2030 through renewable generation and efficiency. The study updated economic impact multipliers to quantify the benefits of future EE programs in the Rhode Island economy.	All
2019			
	(a) Study	(b) Impact Descriptions	(c) Sector
50	NMR, RLPNC 17-3 Advanced Power Strip Metering Study (Revised). March 2019. (Leveraged study from MA)	This study yielded recommended gross electric savings and realization rates from advanced power strips offered through the Home Energy Services and upstream programs. Rhode Island adopted the result from this study to inform savings for Tier 1 and Tier 2 advanced power strips offered through its Retail Products program.	Res
51	Navigant, Wi-Fi Thermostat Impact Evaluation Secondary Research Study. September 2018. (Leveraged study from MA)	This study recommended annual savings values of 31 therms for combustion heating, 97 kWh for electric resistance heating, and 64 kWh for central air conditioning for Wi-Fi thermostats. Rhode Island adopted these results to update savings assumptions	Res

		for Wi-Fi thermostats in HVAC and residential retrofit programs.	
2018			
	(a) Study	(b) Impact Descriptions	(c) Sector
52	Energy & Resource Solutions, Two-Tier Steam Trap Savings Study, April 2018.	This MA study recommends a two-tier approach for prescriptive steam traps. It calculates deemed savings to be 8.4 MMBtu/yr. for system operating pressure ≤15 psig, and 35.6 MMBtu/yr. for system operating pressure is >15 psig.	C&I
53	DNV GL, Impact Evaluation of PY 2015 Rhode Island Commercial and Industrial Upstream Lighting Initiative. September 2018.	The study updated impact factors for the Upstream Lighting initiative. The RI study leveraged the MA study of the same initiative.	C&I
54	DNV GL, Rhode Island Commercial & Industrial Impact Evaluation of 2013-2015 Custom Comprehensive Design Approach. October 2018.	The study updated the realization rate for the CDA initiative. The RI study leveraged the MA study of the same initiative.	C&I
55	DNV GL, Impact Evaluation of PY2016 RI C&I Small Business Initiative: Phase I. June 2019.	The study updated impact factors for the Small Business initiative. The RI study leveraged the MA study of the same initiative.	C&I
56	DNV GL, Prescriptive C&I Loadshapes of Savings. March 2018.	This MA study pooled known sources of 8,760 savings loadshapes in an interactive tool to estimate general prescriptive measure loadshapes over customizable time periods.	C&I
57	NMR, Rhode Island Residential Appliance Saturation Survey. October 2018	This study developed an inventory of residential end-uses, including appliances, consumer electronics, heating and cooling equipment, thermostats, water heating, and building characteristics. Findings from this study will be used to inform program planning and support future potential studies in Rhode Island.	Res
58	Cadeo, Rhode Island Impact Evaluation of Income Eligible Services Single Family Program, August 2018	This study produced deemed savings values and realization rates for electric and gas participants using billing and engineering analysis. The Company adopted the deemed savings values in the 2019 program plan.	Res
59	Navigant, MA Residential Electric Loadshape and Baseline Study (Heating and Cooling Season report). July 2018. (Leveraged study from MA)	This study collected saturation, penetration, and usage behavior data for all major electric and gas appliances in Massachusetts. Rhode Island adopted the end use load shapes determined by this study.	Res
60	NMR/DNV GL, TXC29 Market-Rate Rental Property NEI Study (Phase 1), March 2018	This study identified and analyzed NEIs associated with market-rate multifamily properties.	Res
2017			
	(a) Study	(b) Impact Descriptions	(c) Sector
61	ICF, 2017 Rhode Island Residential Code Savings Analysis	This study found that the average Rhode Island home could attain annual electric savings of 3,690	Res

		kWh and gas savings of 10 MMBtu if it fully complied with the state's building energy code.	
62	NMR, 2017 Rhode Island Code Compliance Enhancement Initiative Attribution and Savings Study	The study found residential and commercial attribution factors of 23% and 46%, respectively, which were used along with study results on average savings as well as construction activity projections to calculate the CCEI's projected savings from 2018-2020.	C&I
63	DNV-GL, Gas Boiler Market Characterization Study Phase II: Final Report, March 2017	This study updated C&I condensing boiler savings estimates.	C&I
64	DNV-GL, MA45 Prescriptive Programmable Thermostats, March 2017	This study updated programmable thermostat deemed gas savings for C&I programs.	C&I
2016			
	(a) Study	(b) Impact Descriptions	(c) Sector
65	DNV-GL, Impact Evaluation of 2014 RI Prescriptive Compressed Air Installations Final Report, July 2016	This study yielded an energy realization rate for prescriptive compressed air compressors, dryers, and EE accessories.	C&I
66	DNV-GL, Impact Evaluation of 2012 National Grid-Rhode Island Prescriptive Chiller Program Final Report, July 2016	This study yielded an energy realization rate for prescriptive chillers.	C&I
67	Cadmus Group; Large Commercial and Industrial On-Bill Repayment Program Evaluation, September, 2016	National Grid commissioned this study to evaluate the financing component of the large commercial and industrial (LCI) energy efficiency program. Cadmus evaluated the program design, performance, and sustainability; the overall market for the program; and the program's penetration of that market to date.	C&I
68	DNV GL, Stage 2 Results—Commercial and Industrial New Construction Non-Energy Impacts Study—Final Report, prepared for the Massachusetts Program Administrators, March 2016	The purpose of this study was to quantify the dollar value of participant NEIs for C&I NC projects completed in 2013, and to estimate gross NEIs per unit of energy savings resulting from NC electric and gas measures separately.	C&I
2014			
	(a) Study	(b) Impact Descriptions	(c) Sector
69	DNV GL, 2014, Impact Evaluation of National Grid Rhode Island C&I Prescriptive Gas Pre-Rinse Spray Valve Measure	The evaluation examined the gas and water savings associated with the installation of reduced-flow pre-rinse spray valves. The results are based on site measurements from MA and RI facilities. The final gross gas and water savings are 11.4 MMBtu and 6,410 gallons per spray valve respectively.	C&I
2012			

(a) Study		(b) Impact Descriptions	(c) Sector
70	TetraTech, Final Report – Commercial and Industrial Non-Energy Impacts Study, (prepared for Massachusetts Program Administrators), June 29, 2012	This report provides a comprehensive set of statistically reliable non-energy impact (NEI) estimates across the range of C&I prescriptive and custom retrofit programs offered by the MA electric and gas Program Administrators (PAs). The analytical methods used allow this report’s findings to be applicable to RI.	C&I
2011			
(a) Study		(b) Impact Descriptions	(c) Sector
71	KEMA, Inc., C&I Unitary HVAC Loadshape Project Final Report, Prepared for the Regional Evaluation, Measurement, and Verification Forum, June 2011	This study produced updated diversity and equivalent full load hours for unitary HVAC measures using end use metering.	C&I
72	NMR/TetraTech, MA Special and Cross Sectors Studies Area, Residential and Low-Income NEI Evaluation, August 2011	This study quantified NEIs that apply to residential and low-income programs.	Res

5. 2024 EVALUATION STUDY FINDINGS

5.1 Rhode Island-Specific Studies

RI-23-CX-FRSO – 2022 Commercial and Industrial Programs Free-Ridership and Spillover Study

Type of Study: Impact Evaluation

Conducted by: Tetra Tech

Date Evaluation Conducted: January 2024

Evaluation Objective and High-Level Findings:

The primary objective of this study was to quantify the net impacts of Rhode Island Energy’s 2022 commercial and industrial electric and natural gas upstream and downstream energy efficiency programs. The study conducted surveys with a sample of 2022 program participants, market actors, and distributors within the gas and electric commercial and industrial programs to determine the free-rider and spillover participants.

The following table presents the results of the study:

Table 5. C&I Free-Ridership and Spillover Results Summary

(a)	(b)	(c)	(d)	(e)
Program Type and Delivery	Free-Ridership	Participant Spillover	Non-Participant Spillover	Net to Gross Ratio
1 Large C&I Upstream Prescriptive Measures	32.9%	7.7%	0.0%	74.8%
2 Large C&I Downstream Prescriptive Measures	17.4%	4.3%	2.6%	89.6%
3 Large C&I Custom Measures	18.6%	7.5%	0.0%	88.9%
4 Small Business	19.9%	1.5%	1.0%	82.5%
5 Overall	24.4%	4.7%	0.7%	81.0%

Programs to which the Results of the Study Apply:

The results of this study are applicable to the C&I programs.

Evaluation Recommendations included in the Study:

The study recommends adopting the NTG ratios in Table X for the electric and gas C&I programs.

Explain Whether or Not Rhode Island Energy (RIE) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the recommendations from this study.

Savings Impact: The adoption of the NTG ratios from the study will impact the net savings for the C&I programs.

RI-23-CX-SwarmLogic Rhode Island Swarm Thermostats – Technology Evaluation Pilot

Type of Study: Impact

Evaluation Conducted by: DNV

Date Evaluation Conducted: March 2024

Evaluation Objective and High-Level Findings:

The study calculated the impacts of installing Swarm Logic control technology at four sites equipped with HVAC units controlled by Wi-Fi thermostats. The study modeled baseline and as-built technology scenarios to estimate the annual heating and cooling impact by Swarm Logic technology.

The study found that Swarm Logic technology reduced energy consumption by an average of 5.9% during the cooling season and 13.2% during the heating season. One site had large heating savings and removing this site reduces the average heating savings to 4.2%. The heating savings were not directly metered like the cooling energy. The Swarm Logic technology reduced operating hours during moderate outdoor air temperatures, but the technology's impact diminishes in extreme cold or hot weather.

Programs to which the Results of the Study Apply:

The results of the study are applicable to the Small Business Direct Install and Large C&I Retrofit programs.

Evaluation Recommendations included in the Study:

The study did not have any recommendations.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

The study determined the estimated savings from Swarm Logic technology. Based on the results, RI Energy is adopting the Swarm Logic technology as a measure offering in 2025 in the Small Business Direct Install and Large C&I Retrofit programs.

Savings Impact:

There are no savings impacts from this study.

RI-24-XX-MeasureLife2 – Comprehensive Measure Life Review, Phase II

Type of Study: Impact

Evaluation Conducted by: Cadeo

Date Evaluation Conducted: September 2024

Evaluation Objective and High-Level Findings:

The study reviewed the remaining 126 low priority prescriptive measures from the Phase I study. RI Energy selected a subset of 50 low priority measures for Cadeo to perform a comprehensive measure life review. The objective of this study was to ensure all measure life assumptions align with the most recent research and evaluation efforts in Rhode Island and industry best practices for prescriptive measures, and where appropriate to update measure life values.

Cadeo recommended updates to both the measure life and source for 12 measures, updates to the measure life source for 25 measures, and found that the current source was the best available for 13 measures.

Programs to which the Results of the Study Apply:

The results of the study are applicable to prescriptive measures in Residential, Income Eligible, and C&I programs.

Evaluation Recommendations included in the Study:

The study recommends updating the measure life source and value for 12 measures and the measure life source for 25 measures. The table below contains the measure life value recommendations.

Table 6. Measure Life Value Recommendations

	(a)	(b)	(c)	(d)	(e)
	Measure Name	Fuel	Sector	Existing Measure Life	New Measure Life
1	Central Heat Pump	Electric	Residential	20	16
2	Combo Condensing Boilers	Gas	Residential	23	20
3	Elec Res to HP ducted or mix ducted	Electric	Residential	18	15
4	ENERGY STAR Water Heater, Tankless	Electric	Residential	19	20
5	Duct Insulation	Gas	Income Eligible	25	20
6	Ice Machines	Electric	C&I	8	9
7	Low Pressure Drop Filter	Electric	C&I	5	10
8	Refrigerated Beverage Vending Machine	Electric	C&I	10	5

9	Room Air Cleaner	Electric	C&I	3	9
10	Water Heating	Electric	C&I	7	15
11	Water Heating Boiler	Gas	C&I	7	15
12	Water Cooled Chiller	Electric	C&I	23	20

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RIE is adopting all the measure life source updates and measure life value updates for the 50 measures.

Savings Impact:

The lifetime savings of the measure will result in an increase or decrease depending on the change in measure life.

RI-23-CE-CustGasPY22 – Impact Evaluation of Custom Gas Installations

Type of Study: Impact

Evaluation Conducted by: DNV

Date Evaluation Conducted: September 2024

Evaluation Objective and High-Level Findings:

The objective of this impact evaluation was to provide verification or re-estimation of energy (therms) savings for a sample of custom gas projects through site-specific inspections, end-use monitoring, and analysis. The site-specific results were aggregated to determine realization rates for Rhode Island Energy's custom gas installations. As a three-year rolling scheme is used to determine custom realization rates, the overall realization rate from this study combines results from PY2020, PY2021, and PY2022.

Table 7. Custom Gas Non-Steam Trap Results

(a)	(b)	(c)	(d)	(e)
Parameter	PY2020	PY2021	PY2022	PYs 2020+2021+2022
1 Tracking savings (therms)	556,583	752,277	1,056,259	2,365,119
2 Non-operational sample size	8	4	5	17
3 Realization Rate (RR)	64.44%	86.57%	103.25%	88.81%
4 Relative precision at 80% CI (%)	±8.9%	±15.3%	±18.6%	±12.0%

Programs to which the Results of the Study Apply:

The results of the study are applicable to the custom gas measures in the C&I Programs.

Evaluation Recommendations included in the Study:

The study recommends the following:

- Adopt the combined realization rate of 88.1% for non-steam trap projects.
- Implement more rigorous review for estimating energy management system savings.
- Reconsider steam trap and non-steam trap studies and how they should be evaluated.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the combined result of 88.1% realization rate for custom gas and a 100% realization rate for steam trap projects.

Savings Impact:

The claimable savings for Large C&I custom gas projects will increase as the realization rate increased from the previous year.

RI-23-CE-CustElecPY22 – Impact Evaluation of Custom Electric Installations

Type of Study: Impact

Evaluation Conducted by: DNV

Date Evaluation Conducted: September 2024

Evaluation Objective and High-Level Findings:

The objective of this impact evaluation was to provide verification or re-estimation of energy (kWh) savings for a sample of custom electric projects through site-specific inspections, end-use monitoring, and analysis. The site-specific results were aggregated to determine realization rates for Rhode Island Energy’s custom electric installations for non-lighting. As a three-year rolling scheme is used to determine custom realization rates, the overall realization rate from this study combines results from PY2020, PY2021, and PY2022.

Table 8. Custom Electric Installation Results

(a)	(b)	(c)	(d)	(e)
Parameter	PY2020	PY2021	PY2022	PYs 2020+2021+2022
1 Tracking savings (kWh)	10,676,671	26,073,183	13,916,893	50,666,747
2 Non-operational sample size	10	10	10	30
3 Realization Rate (RR)	68.6%	88.4%	78.3%	81.4%
4 Relative precision at 80% CI (%)	±28.2%	±15.8%	±12.8%	±10.8%

Programs to which the Results of the Study Apply:

The results of the study are applicable to the custom electric measures in the C&I Programs.

Evaluation Recommendations included in the Study:

The study recommends the following:

- Adopt the combined realization rate of 81.4% for custom electric projects.
- Conduct an evaluability assessment for measures in high savings projects coming from operation changes.
- Update the measure life of door gasket measures from five years to one year.
- Update savings estimates for cleaning condenser and evaporator coil measures.
- Include operational data to calibrate pre-retrofit energy calculators for retrofit projects reliant on pre-existing conditions.
- Review the custom express tools used for advanced controls measures.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the combined result of 81.4% realization rate for custom electric projects and will consider adopting the other specific recommendations from the study.

Savings Impact:

The claimable savings for Large C&I custom electric projects will decrease as the realization rate decreased from the previous year.

RI-24-RE-ElecResHeatCharacterization - Electric Resistance Heat Characterization Study

Type of Study: Market

Evaluation Conducted by: Illume

Date Evaluation Conducted: Draft

Evaluation Objective and High-Level Findings:

The primary objective of this study was to help RI Energy better understand the needs of homeowners and landlords with electric resistance heating (ERH) and ways to overcome barriers to heat pump adoption.

The study found the following key findings:

- For heat pump adoption, there is greater opportunity for ERH users who believe their heating costs are too expensive, want to keep their homes comfortably warm, and want more energy efficient equipment in their homes.
- Barriers to heat pump adoption include customers' preference for the ERH system, upfront equipment and installation costs, hassle of completing the upgrade project, and uncertainty about potentially lower energy bills would outweigh upfront costs.

- Competing landlord priorities as landlords prioritize financial return over energy savings or property upgrades when considering equipment upgrades.

Programs to which the Results of the Study Apply:

The results of the study are applicable to the Residential HVAC Program for customers with electric resistance heating.

Evaluation Recommendations included in the Study:

The study recommends the following to encourage the switch from electric baseboard resistance heating to heat pump adoption.

- Help customers plan for and manage upfront costs and potential increases to their monthly expenses.
- Build customers' confidence in the benefits of a heat pump upgrade by marketing case studies or testimonials from past ERH-user program participants.
- Streamline the rebate application process and provide comprehensive information on the website.
- Improve the program website by providing additional information on heat pump savings to encourage more applications.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy will consider the recommendations from the study in future program implementation.

Savings Impact:

There are no savings impacts from this study.

5.2 Massachusetts Study Summaries

MA23C02-B-ISPPEPOS – ISP Recommendations: Ultra-Low Temperature Freezers

Type of Study: Impact

Evaluation Conducted by: DNV

Date Evaluation Conducted: September 2023

Evaluation Objective and High-Level Findings:

The primary objective of this study was to investigate the industry standard practice for the purchase of ultra-low temperature freezers. The ISP study found that the Energy Star ratings assumed a freezer operating at -75°C whereas the most common freezer operating temperature is -80°C. Thus, the savings should be adjusted to account for the most common freezer operating temperature.

Programs to which the Results of the Study Apply:

The results of this study are applicable to the Large C&I New Construction Ultra Low Temperature Freezer measure.

Evaluation Recommendations included in the Study:

The ISP study recommends updating the savings for the ultra low temperature freezer measure based on the different freezer temperatures that are the basis for the ISP and Energy Star performance. The ISP study also recommends that the minimum performance threshold for the ultra low temperature freezer measure to follow the new Energy Star threshold once it is finalized in 2024. Once that is updated, it is recommended to update the ISP baseline performance to the current Energy Star threshold of 0.55 kWh/day/ft³.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the savings update for the Ultra Low Temperature Freezer measure. RI Energy will continue review the updated Energy Star standard once it is finalized and update the savings accordingly.⁶

Savings Impact:

The measure savings for the Ultra Low Temperature Freezer will decrease by approximately 10%.

MA22C01-B TRM-Review - Non-Residential Technical Reference Manual Review

Type of Study: Impact

Evaluation Conducted by: Cadeo

Date Evaluation Conducted: October 2022

Evaluation Objective and High-Level Findings:

The primary objective of this study was to perform a comprehensive review of the non-residential prescriptive measures in the Massachusetts Technical Reference Manual and to recommend updates for key measure parameters.

Programs to which the Results of the Study Apply:

The results of this study are applicable to measures in the Small Business Direct Install, Large C&I New Construction, and Large C&I Retrofit Programs.

Evaluation Recommendations included in the Study:

The study recommends updates to the savings and calculations for commercial and industrial measures related to HVAC, hot water, and lighting.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the savings and/or calculation updates for the following measures:

- Combo Condensing Boiler/Water Heaters
- Pre-rinse spray valves
- Electric hot water spray valves

⁶ [ENERGY STAR Version 2.0 Laboratory Grade Refrigerators and Freezers Draft 2 Specification](#)

- Indirect water heater
- Boiler Reset Control
- Dual Enthalpy Economizer Control
- Fan control
- Performance Lighting
- Lighting controls

Savings Impact:

Depending on the measure, the savings will increase or decrease.

MA20C02-G-ST – Steam Traps and Boiler Efficiency Research Phase II

Type of Study: Impact/Process

Evaluation Conducted by: DNV

Date Evaluation Conducted: November 2022

Evaluation Objective and High-Level Findings:

The primary objective of this study was to conduct additional research of steam trap projects practices and boiler plant efficiency measurements to improve project accuracy.

Programs to which the Results of the Study Apply:

The results of this study are applicable to custom and prescriptive steam trap measures in the C&I programs.

Evaluation Recommendations included in the Study:

The study recommends using an adjusted measure life (AML) of 3 years and updating the net-to-gross ratio to 1.0 for the steam trap measures. The study recommends using the updated steam trap tool from the study. RI Energy is currently in the process of getting the updated steam trap tool. If RI Energy is unable to retrieve the steam trap tool, then the current steam trap tool will be updated with the AML and net-to-gross.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the adjusted measure life and net-to-gross ratio for the steam trap measures.

Savings Impact:

The lifetime savings of the steam trap measures will decrease.

Massachusetts Residential Building Use and Equipment Characterization Study – Phase 7

Type of Study: Impact

Evaluation Conducted by: Guidehouse

Date Evaluation Conducted: December 2023

Evaluation Objective and High-Level Findings:

The primary objective of this study was to collect saturation, characterization, and usage behavior data for all major electric and gas appliances, heating and cooling equipment, and electronics in Massachusetts homes.

Programs to which the Results of the Study Apply:

The results of this study are applicable to the Residential Programs.

Evaluation Recommendations included in the Study:

The study recommends updating the loadshape results for the following end uses:

- Water Heaters
- Refrigeration
- Clothes Washers and Dryers
- HVAC
- Dehumidifiers
- Pool Pumps
- TV and peripherals
- Lighting

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the updated residential load shapes developed from the study.

Savings Impact:

The updated loadshapes will impact the residential summer and winter demand savings.

Massachusetts Impact Shape Final

Type of Study: Impacts

Evaluation Conducted by: DNV

Date Evaluation Conducted: February 2024

Evaluation Objective and High-Level Findings:

The primary objective of this study was to update the commercial loadshapes. DNV collected new data from internal and external sources such as the National Renewable Energy Laboratory and Cadeo's Massachusetts Commercial Energy Optimization Model.

Programs to which the Results of the Study Apply:

The results of this study are applicable to the commercial and industrial programs.

Evaluation Recommendations included in the Study:

The study recommends updating the loadshape results for the following end uses:

- Cooling
- Compressed Air

- Refrigeration
- Food Service
- Water Heating
- Process
- Exterior Lighting
- Interior Lighting
- Controls
- Heat Pumps

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the commercial load shapes from the study.

Savings Impact:

The updated loadshapes will impact the commercial summer and winter demand savings.

MA21X21-E-RHPNEI - Residential Heat Pump NEIs Study

Type of Study: Impact

Evaluation Conducted by: NMR Group, Inc., Three3, Inc., DNV

Date Evaluation Conducted: July 2023

Evaluation Objective and High-Level Findings:

The primary objective of this study was to update the non-energy impacts for heat pump measures.

Programs to which the Results of the Study Apply:

The results of this study are applicable to residential heat pump related measures.

Evaluation Recommendations included in the Study:

The study recommends updating NEIs associated with heat pump installations as provided in the report Tables 2 and 3.

Explain Whether or Not Rhode Island Energy (RI Energy) Decided to Adopt Recommendations from the Study:

RI Energy is adopting the heat pump NEIs for non-fuel switching measures and the NEI values provided for residential boilers and furnaces.

Savings Impact:

The added NEIs will increase non-resource benefits.

2025 Rhode Island Test Description

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1. INTRODUCTION

This section has been prepared pursuant to Section 1.3(C) and 3.2(N) of the Least Cost Procurement Standards as approved and adopted pursuant to Rhode Island PUC Docket 23-07-EE¹ (referred to herein as the “LCP Standards”), and in alignment with the Rhode Island Benefit Cost Test (RI Test) as defined by the Standards and the Docket 4600A Benefit-Cost Framework and associated Guidance. The methods identified herein will be used for the calculation of benefits and costs associated with the 2025 Annual Energy Efficiency Plan.

Two key supporting documents for cost-effectiveness are the Technical Reference Manual (TRM) and the Avoided Cost Study. For the Annual Plan, the Company developed the 2025 Rhode Island Technical Reference Manual, which documents the savings / savings algorithms and costs for proposed 2025 measures. The TRM identifies the sources for the savings estimates. Sources can be evaluation studies, engineering analyses, and/or other research. The TRM is a public document and was provided to the EERMC and its consultants to support and facilitate their determination of the Plan’s cost-effectiveness. The TRM is reviewed and updated annually to reflect changes in technology, baselines, and evaluation results.

The cost-effectiveness analyses of the proposed programs use avoided energy supply costs developed by Synapse Energy Economics as part of the “Avoided Energy Supply Components in New England: 2024 Report” (2024 AESC Study or AESC 2024). The study is sponsored by the New England electric and gas efficiency program administrators and is used for cost-effectiveness screening in 2024 or later. Of note, this plan is the first to use the 2024 AESC Study instead of the 2021 AESC Study. The avoided costs reflect a view of market conditions over the full study horizon (2024-2038) at the time of the study² and are highly influenced by the cost of fossil fuels and expectations about ISO-NE’s forward capacity market. Company-specific transmission and distribution capacity values are also included. The 2024 AESC Study introduced six counterfactual scenarios representing variations in demand-side measures offered in the future. For cost-effectiveness screening of the 2025 Rhode Island energy efficiency portfolio, the Company used Counterfactual #3 as the best representative scenario for future DSM portfolios. Counterfactual #3 models a scenario in which program administrators install no new energy efficiency resources in 2024 or later years. This scenario includes some amount of assumed building electrification and installed active demand management resources.³

¹ https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-07/2307-LCP%20Standards_final.pdf

² The long-term view is appropriate for energy efficiency planning, as most measures have expected useful lifetimes in excess of 10 years. Fuel cost increases experienced since the study was completed are not reflected in the avoided costs but in the past such price spikes have tended to dissipate over time.

³ Refer to the 2024 AESC Executive Summary for a descriptions of Counterfactuals #1 – 6 <https://www.synapse-energy.com/sites/default/files/inline-images/AESC%202024%20May%202024.pdf>

2. THE RI TEST OVERVIEW AND DOCKET 4600 BENEFIT COST FRAMEWORK

The RI Test compares the present value of net benefits associated with the lifetime net savings of an energy efficiency measure / program to the total costs necessary to implement that measure / program. The RI Test may be applied to any energy efficiency measure / program independent of primary fuel type.

The RI Test captures the value created by efficiency measures installed in a particular program year across the programmatic useful life of the measure. The measure life is based on the technical life of the measure modified to reflect expected measure persistence and period of program influence. Because the RI Test captures the value associated with a stream of benefits over a period of time, a measure's benefits are present-valued so that costs and benefits may be compared.

RI Test benefits are defined as the avoided resource supply and delivery costs, valued at marginal cost for the periods when there is load reduction, as well as the monetized value of non-resource savings.

RI Test costs are defined as expenses over those costs which would have occurred absent the efficiency program paid by both the utility and by participants, plus the increase in supply costs for any period in which load is increased. Incremental measure-level equipment, installation, O&M, and removal costs – as well as program-level marketing, evaluation, and administration costs – are included.

All savings included in the value calculations are net savings. The expected net savings are typically an engineering estimate of savings modified to reflect the actual realization of savings based on evaluation studies. The expected net savings also reflect market effects due to the program. The RI Test captures the combined effects of a program on both the participating customers and those not participating in a program. From a resource acquisition perspective, if the program induces participants or non-participants to acquire energy efficiency devices without program expenditures (i.e., outside of the program), these effects—known as spillover—should be attributed as program benefits in the RI Test. The costs incurred by customers to acquire equipment on their own are also counted as costs in the RI Test.

On the other hand, if customers accept program funds to implement an energy efficiency measure they would have installed anyway, the associated savings are known as “free-ridership.” From the perspective of resource acquisition through utility programs, it is important to distinguish whether a customer would have implemented the efficiency measure without the program. Therefore, savings

associated with free ridership are deducted from program savings.⁴ The cumulative impact of realization rates and market effects on gross savings is known as net savings.

The primary assessment of cost-effectiveness in the RI Test captures all benefits and costs shared between Rhode Island and other jurisdictions. Modifications made to the LCP Standards in 2023 specify an additional assessment of cost-effectiveness including only those benefits and costs that will be allocated to Rhode Island Energy. The Company has determined that pool transmission capacity benefits (described in Section 3.3) and rest-of-pool DRIPE (section 3.8) accrue out of state; these are excluded from a secondary assessment of cost-effectiveness in Attachments 5 and 6. To the best of the Company's knowledge, no costs accrue out of state.

The benefits and costs considered in the RI Test as applied to Energy Efficiency are detailed in the next section.

3. DESCRIPTION OF PROGRAM BENEFITS AND COSTS

The following benefits and costs are quantified and monetized in the RI Test.⁵ Section 5 of this attachment shows the alignment of each benefit and cost category to the Docket 4600 Benefit-Cost Matrix for the electric portfolio.

Benefits

- Electric Energy Benefits
- Electric Generation Capacity Benefits
- Electric Transmission Capacity and Distribution Capacity Benefits
- Natural Gas Benefits
- Fuel Benefits (including the value of delivered fuel savings from programs that influence delivered fuel consumption)
- Water and Sewer Benefits
- Non-Energy impacts
- Demand Reduction Induced Price Effects (DRIPE)
- Non-embedded Greenhouse Gas Reduction Benefits
- Value of Improved Reliability
- Combined Heat and Power Benefits

⁴ Both free-ridership and spillover have been determined from evaluation, measurement, and verification studies of program participants, non-participants, and other market actors, such as developers and vendors.

⁵ Economic Development Benefits are a recognized benefit in Rhode Island. Their monetized value, however, is not included in the RI Test calculation but is reported separately.

Costs

- Utility Costs
- Participant Costs

3.1 Electric Energy Benefits

Avoided electric energy costs are appropriate benefits for inclusion in the RI Test. When consumers do not have to purchase electric energy because of their investment in energy efficiency, an avoided resource benefit is created.

Electric energy savings are valued using the avoided electric energy costs developed in the 2024 AESC Study, Appendix B. The values in the 2024 AESC Study represent wholesale electric energy commodity costs that are avoided when generators produce less electricity because of energy efficiency.⁶ These values include pool transmission losses incurred from the generator through the point of delivery / the distribution company, and the costs of renewable energy credits borne by generators. The avoided energy costs also internalize the expected cost of complying with current or reasonably anticipated future regional or federal greenhouse gas reduction requirements which are borne by generators and passed through in wholesale costs.

The avoided energy costs in the 2024 AESC Study are provided in four different costing periods consistent with ISO-NE definitions. Net energy savings are split up into these periods in the value calculation. The time periods are defined as follows:

- *“Summer on-peak: The 16-hour block from 7 a.m. till 11 p.m., Monday–Friday (except ISO holidays), in the months of June–September (1,344 Hours, 15.3 percent of 8,760)*
- *Summer off-peak: All other hours between 11 p.m. and 7 a.m., Monday–Friday, weekends, and ISO holidays in the months of June–September (1,582 Hours, 18.1 percent of 8,760)*
- *Winter on-peak: The 16-hour block from 7 a.m. till 11 p.m., Monday–Friday (except ISO holidays), in the eight months of January–May and October–December (2,736 Hours, 31.2 percent of 8,760)*
- *Winter off-peak: All other hours between 11 p.m. and 7 a.m., Monday–Friday, all day on weekends, and ISO holidays—in the months of January–May and October–December (3,096 Hours, 35.3 percent of 8,760)”⁷*

⁶ Avoided costs may be viewed as a proxy for market costs. However, avoided costs may be different from wholesale market spot costs because avoided costs are based on simulation of market conditions, as opposed to real-time conditions. Avoided costs may be different from standard offer commodity costs because of time lags and differing opinions on certain key assumptions, such as short-term fuel costs.

⁷ Sourced directly from the 2024 AESC Executive Summary <https://www.synapse-energy.com/sites/default/files/inline-images/AESC%202024%20May%202024.pdf>

In the calculation of benefits, energy savings are grossed up using factors that represent transmission and distribution losses, because a reduction in energy use at the customer site means less energy needs to be generated and less extra generation is needed to cover losses that occur in delivery. A wholesale risk premium factor is also added to capture market risk factors typically recovered by generators in their pricing, which also increases the wholesale costs.

Net energy savings for a program (or measures aggregated within a program) are allocated to each costing period and multiplied by the appropriate avoided energy value.⁸ The dollar benefits are then grossed up using the appropriate loss factors representing losses from the ISO delivery point to the end use customer.

- Summer Peak Energy Benefit (\$) = kWh * Energy%_{SummerPk} * SummerPk\$/kWh_(@Life) * (1 + %Losses_{SumPk-kWh}) * (1 + Wholesale Risk Premium)
- Summer OffPeak Energy Benefit (\$) = kWh * Energy%_{SummerOffPk} * SummerOffPk\$/kWh_(@Life) * (1 + %Losses_{SummerOffPk-kWh}) * (1 + Wholesale Risk Premium)
- Winter Peak Energy Benefit (\$) = kWh * Energy%_{WinterPk} * WinterPk\$/kWh_(@Life) * (1 + %Losses_{WinterPk-kWh}) * (1 + Wholesale Risk Premium)
- Winter OffPeak Energy Benefit (\$) = kWh * Energy%_{WinterOffPk} * WinterOffPk\$/kWh_(@Life) * (1 + %Losses_{WinterOffPk-kWh}) * (1 + Wholesale Risk Premium)

3.2 Electric Generation Capacity Benefits

Avoided electric generation capacity values are appropriate for inclusion in the RI Test. When generators do not have to build new facilities or when construction can be deferred because of investments in energy efficiency, an avoided resource benefit is created. In the New England capacity market, capacity benefits accrue because demand reduction reduces ISO-NE's installed capacity requirement. The capacity requirement is based on the load's contribution to the system peak, which for ISO-NE is the summer peak. For the first time, AESC 2024 monetizes winter peak demand reduction because of the regional growth of electric heat. Therefore, capacity benefits accrue from summer and winter peak demand reduction.

Demand savings created through program efforts are valued using the avoided capacity values from the 2024 AESC Study, Appendix B. The values contained in the study reflect the avoided cost of peaking capacity and incorporate a reserve margin and losses incurred from the generator through the point of

⁸ The notation "@Life" is an indication that the avoided value component for each benefit (e.g., electric energy, capacity, natural gas, etc.) is the cumulative net present value (in 2025 dollars) of avoided costs for each year of the planning horizon from the base year over the life of the measure. For example, the avoided value component for a measure with an expected life of ten years for any given benefit component is the sum of the net present value of the annual avoided costs for that component in Year 1, Year 2, Year 3, etc., through Year 10.

delivery and the distribution companies. ISO-NE reserve margins are incorporated into the capacity values, since energy efficiency avoids the back-up reserves for that generation as well as the generation itself. A loss factor representing losses from the ISO delivery point to the end-use customer is used as a multiplier, since those losses are not included in the avoided costs. Demand savings are calculated to be coincident with the ISO-NE definition of peak.

The dollar value of benefits is therefore calculated as:

$$\bullet \text{ Generation Capacity Benefit (\$)} = \text{kW}_{\text{Summer}} * \text{GenerationCapValue\$ / kW}_{\text{Summer}(@\text{Life})} * (1 + \% \text{Losses}_{\text{SummerkW}}) + \text{kW}_{\text{Winter}} * \text{GenerationCapValue\$ / kW}_{\text{Winter}(@\text{Life})} * (1 + \% \text{Losses}_{\text{WinterkW}})$$

In addition to the traditional valuation of electric generation capacity, for which results are provided in Appendix B, the 2024 AESC study also valued the capacity of short duration measures that are not actively bid in the ISO-NE Forward Capacity Market (FCM). The AESC study has always provided avoided electric generation capacity values that are differentiated based on whether a measure is bid into the FCM or not.⁹ Given the three-year forward nature of the FCM and the timing of the ISO-NE load forecast, it takes five years from the time of load reduction for uncleared capacity to begin impacting the FCM procurements. As a result, measures with a useful life less than five years would not produce any generation capacity benefits in years 1-5 under the traditional capacity modeling methodology.

The 2024 AESC study conducted a detailed analysis of the ISO-NE load forecast methodology and determined that there are deferred capacity benefits for short duration measures that are not bid in the FCM which persist beyond the measure's useful life. The logic behind this analysis is that the ISO-NE load forecast utilizes multiple years of historical load data, and even a load reduction for only one year will have a lasting impact on the load forecast for several years. The deferred capacity valuation methodology for uncleared capacity is used to determine the avoided electric generation capacity value for these measures based on the values provided in Appendix J of the 2024 AESC study.

New for the 2024 AESC study, electric capacity, capacity DRIPE, and reliability avoided costs are split into three categories:

1. "Current capacity market structure", which goes through 2027.
2. "Future capacity market structure - Summer (June through September)", which starts in 2028.
3. "Future capacity market structure - Winter (October through May)", which starts in 2028.

Therefore, in the calculation of electric capacity, capacity DRIPE, and reliability benefits, all benefits accruing before 2028 will use the current capacity market structure avoided costs, and all benefits accruing in 2028 and later will use the seasonally separated summer and winter future capacity market

⁹ Capacity bid into the FCM is known as cleared capacity. Capacity not bid into the FCM is known as uncleared capacity. Uncleared capacity passively reduces system load and subsequently reduces the ISO-NE load forecast and the resulting amount of capacity that is procured through the FCM.

structure avoided costs. Of note, the Rhode Island Test calculations include both summer and winter capacity benefits accruing in 2028 and later.

3.3 Electric Transmission Capacity and Distribution Capacity Benefits

Avoided transmission and distribution capacity values are appropriate for inclusion in the RI Test. When transmission and distribution facilities do not have to be built or can be deferred because of lower loads because of consumers' investments in energy efficiency, an avoided resource benefit is created.

Electric distribution capacity benefits are valued in the RI Test using avoided distribution capacity values calculated in an Excel tool. The tool calculates an annualized value of statewide avoided distribution capacity values from company-specific inputs of historic and projected capital expenditures and loads, as well as a carrying charge calculated from applicable tax rates and Federal Energy Regulatory Commission (FERC) Form 1 accounting data. The calculations of the electric distribution capacity benefits were updated for the 2025 plan using updated inputs to this tool and results in an avoided distribution capacity cost of \$138.39/kW-year in 2024 dollars.

Electric transmission capacity benefits are valued in the RI Test based on the costs of Pool Transmission Facilities (PTF). The 2024 AESC study calculates an avoided cost for PTF of \$79.60/kW-year in 2024 dollars.¹⁰ In the 2024 AESC Study the estimation of the PTF values was revised to include transmission projects anticipated to occur through 2029. The Company continues to use the avoided PTF values instead of the avoided cost of local transmission investments in screening the energy efficiency portfolios. PTF values are sourced from Appendix B.

The Company has also developed an estimate of non-PTF capacity value. This estimate was developed using an avoided T&D capacity value model¹¹ using company-specific information on load growth and investments in non-PTF transmission. The Company has calculated the value of the avoided cost for non-PTF of \$12.17/kW-year in 2024 dollars.

Capacity loss factors are applied to the avoided T&D capacity costs to account for local transmission and distribution losses from the point of delivery to the distribution company's system to the ultimate customer's facility. Thus, losses will be accounted for from the generator to the end use customer.

T&D benefits could be allocated to summer and winter periods, depending on the relation between summer and winter peaks on the local system. However, the Company's system is summer peaking.

¹⁰ New for the 2024 AESC, PTF transmission avoided costs are separated by summer and winter. Combined, the avoided cost of PTF transmission is always \$79.60/kW-year in 2024 dollars.

¹¹ This model was first developed in 2005 is updated annually by the Company.

Therefore, the T&D benefits will be exclusively associated with summer demand reduction and the dollar value will be calculated as follows:

- Transmission Benefit (\$) = $(kW_{\text{Summer}} * \text{Trans}\$/kW_{(\text{@Life})} * [1 + (\text{Losses}_{\text{SumkWTrans}})])$ where Trans\$/kW is the sum of PTF and non-PTF transmission avoided costs.
- Distribution Benefit (\$) = $(kW_{\text{Summer}} * \text{Dist}\$/kW_{(\text{@Life})} * [1 + (\text{Losses}_{\text{SumkWDist}})])$

3.4 Natural Gas Benefits

Avoided natural gas consumption is appropriate for inclusion in the RI Test. When a project saves natural gas, an avoided resource benefit is created.

Natural gas benefits in the RI Test are valued using avoided natural gas values from the 2024 AESC Study, Appendix C. These costs include commodity costs, pipeline transportation costs, and retail distribution margin costs / delivery charges that would be avoided by fuels not consumed by end users.

The 2024 AESC Study Report presents avoided natural gas value components into end-use categories to match with individual program characteristics. The natural gas categories are:

- Commercial and industrial, non-heating/hot water
 - Assumes savings are constant throughout the year.
 - Averages monthly natural gas values over 12 months.
- Commercial and industrial, heating
 - Averages the monthly values for November through March.
- Residential heating
 - Averages the monthly values for November through March. These months have the highest natural gas values. Therefore, associated natural gas savings are comparatively high, despite the exclusion of monthly values for April through October.
- Residential water heating/residential non-heating
 - Assumes savings are constant throughout the year.
 - Averages monthly natural gas values over 12 months.
- All commercial and industrial
 - Used for behavioral savings, codes and standards, and custom measures.
- All residential
 - Used for behavioral programs.
- All retail end-uses

Using each of these end-use value components as appropriate, the dollar value of fuel benefits is calculated as:

- Natural Gas Benefits (\$) = MMBtu Gas Savings * (Gas\$/MMBtu_(EndUseCategory,@Life))

3.5 Delivered Fuel Benefits

Avoided delivered fuel costs (fuel oil or propane) are appropriate for inclusion in the RI Test. When a project saves delivered fuels, an avoided resource benefit is created.

Fuel benefits in the RI Test are valued using avoided fuel values from the 2024 AESC Study, Appendix D. The 2024 AESC Study developed estimates of avoided fuel costs for distillate fuel oil, residual fuel oil, B5 / B20 / B50 biofuels, and propane.

In 2021, the Rhode Island state senate approved an act titled, “Relating to Health and Safety – Biodiesel Products” that dictates “not later than July 1, 2025, all No. 2 distillate heating oil sold in the state shall at a minimum meet the standards for B20 biodiesel blend.”¹² Therefore, the Company used the 2024 AESC Study’s estimates of avoided fuel costs for B20 biofuels to calculate fuel oil benefits.

Using each of these end-use value components as appropriate, the dollar value of fuel benefits is calculated as:

- Fuel Benefits (\$) = MMBtu_Fuel Savings * Fuel\$/MMBtu_(@Life)

3.6 Water and Sewer Benefits

Water savings created from program efforts should be valued and included in the RI Test. Water savings can be valued using avoided water and sewer values that are based on average water and sewer rates in Rhode Island. While there are no specific water efficiency measures, when an electricity or fuel efficiency project also affects water consumption—for example, a cooling tower project that reduces makeup water needed—a resource benefit is created. Depending on the project and metering configuration, changes in water consumption may also affect sewerage billings.

Water and sewerage rates were determined from an internet survey of rates posted to the Rhode Island PUC website, updated as of September 3, 2020.¹³ Average rates were calculated for both residential and

¹² Relating to Health and Safety. Biodiesel Products. State of Rhode Island. February 25, 2021.

<http://webserver.rilin.state.ri.us/BillText21/SenateText21/S0357.pdf>

¹³ <https://ripuc.ri.gov/utility-information/water/ri-regulated-water-suppliers-rates-updated-september-3-2020>

commercial and industrial customers and applied as appropriate to the water savings generated by measures.¹⁴

Water and sewer benefits are counted for all projects, where appropriate, and calculated as follows:

- Water and Sewerage Benefits (\$) = Water and/or Sewerage Savings * Water and/or Sewer \$/Gal_(@Life)

3.7 Non-Energy Impacts

Other quantifiable non-resource or non-energy impacts may be created as a direct result of Least Cost Procurement efforts and are therefore appropriate for inclusion in the RI Test. Non-energy impacts are typically associated with the number of measures installed, rather than the energy consumption of the equipment. However, in some cases these impacts are applied on an annual or one-time basis. These impacts may be positive or negative, and they may be one-time benefits or annually recurring. The effects of non-energy impacts will be included when they are a direct result of the measure and are quantifiable and avoidable.

The specific values of non-energy impacts used in the 2025 Annual Plan for prescriptive measures are documented in the 2025 RI Technical Reference Manual. Non-energy impacts may include – but are not limited to – labor, material, facility use, health and safety, materials handling, property values, and transportation. For income-eligible measures, non-energy impacts also include the impacts of having lower energy bills to pay, such as reduced arrearages or avoided utility shut off costs. Non-energy impacts for Commercial and Industrial custom measures are not included in program planning and benefit-cost analyses: they are counted on a case-by-case basis when supported by site-specific engineering calculations or other analyses.

The dollar value of non-resource benefits will be calculated as follows:

- One-time Non-energy impacts (\$) = Non-energy impact (\$)/unit * Number of units
- Annual Non-energy impacts (\$) = Non-energy impact (\$)/unit * Number of units * Present Worth Factor_(@Life)

¹⁴ RI Regulated Water Suppliers – Rates Updated September 3, 2020, accessed May 2024.
<http://www.ripuc.ri.gov/utilityinfo/water/residentialgri.html> <https://ripuc.ri.gov/utility-information/water/ri-regulated-water-suppliers-rates-updated-september-3-2020>

3.8 Price Effects

The Demand-Reduction-Induced Price Effect (DRIPE) is the reduction in prices in energy and capacity markets resulting from the reduction in need for energy and/or capacity due to efficiency and/or demand response programs. Consumers' investments in energy efficiency avoid both marginal energy production and capital investments, but also lead to structural changes in the market due to lower demand. Over time, the market adjusts to lower demand. However, until the market adjustment, reduced demand leads to a reduction in the market price of electricity. This trend is observed in the New England market when ISO-NE activates its price response programs. When this price effect results from consumer investments in energy efficiency, it is appropriate to include the effect in the RI Test.

DRIPE effects are very small when expressed as an impact on market prices, i.e., reductions of a fraction of a percent. However, DRIPE impacts are significant when expressed in absolute dollar terms over all the kWh and kW transacted in the market. Very small impacts on market prices, when applied to all energy and capacity being purchased in the market, translate to large absolute dollar amounts.

DRIPE values developed for energy efficiency installations in 2025 from the 2024 AESC Study are used in the RI Test. The price effects are expressed as \$/kWh for each of the four electric energy costing periods, \$/kW for electric capacity, \$/MMBtu for natural gas, and \$/MMBtu for oil. For the electric energy DRIPE, there are values for in-state as well as rest-of-pool DRIPE. There are also cross fuel effects that apply when natural gas energy efficiency affects the price of electricity because residential heating and electric generation compete for natural gas supply in the winter. The resulting scarcity of natural gas for generation may drive up the cost of electricity. Therefore, reduction in natural gas consumption due to energy efficiency may cause a price effect for electricity.¹⁵ In addition, reducing demand for petroleum and refined products leads to a reduction in oil prices. The DRIPE benefit is calculated as:

- Summer Peak Energy DRIPE Benefit (\$) = kWh * Energy%_{SumPk} * (SummerPkDRIPE\$/kWh_(@Life+ElectricGasDRIPE\$/kWh) * (1 + %Losses_{SummerPk-kWh}) * (1 + Wholesale Risk Premium)
- Summer OffPeak Energy DRIPE Benefit (\$) = kWh * Energy%_{SumOffPk} * (SumOffPkDRIPE\$/kWh_(@Life+ElectricGasDRIPE\$/kWh) * (1 + %Losses_{SummerOffPk-kWh}) * (1 + Wholesale Risk Premium)
- Winter Peak Energy DRIPE Benefit (\$) = kWh * Energy%_{WinterPk} * (WinterPkDRIPE\$/kWh_(@Life+ElectricGasDRIPE\$/kWh) * (1 + %Losses_{WinterPk-kWh}) * (1 + Wholesale Risk Premium)

¹⁵ Even though the price effect is for electricity, that DRIPE benefit is converted to \$/MMBtu so that it can be attributed to the gas savings that create the effect.

- Winter OffPeak Energy DRIPE Benefit (\$) = kWh * Energy%_{WinOffPk} * (WinterOffPkDRIPE\$/kWh_(@Life+ElectricGasDRIPE\$/kWh) * (1 + %Losses_{WinterOffPk-kWh}) * (1 + Wholesale Risk Premium)
- Generation Capacity DRIPE Benefit(\$) = kW_{Summer} * CapDRIPEValue\$/kW_(@Life) * (1 + %Losses_{SummerkW}) * (1 + Wholesale Risk Premium)
- Natural Gas DRIPE Benefit (\$) = MMBtu_Fuel Savings * (GasDRIPEValue\$/MMBtu_(@Life) + GasElectricDRIPE\$/MMBtu)
- Oil DRIPE Benefit (\$) = MMBtu Fuel Savings * (OilDRIPEValue\$/MMBtu_(@Life))

3.9 Non-embedded Greenhouse Gas Reduction Benefits

In accordance with Section 1.3(C)(iv) of the LCP Standards and the Docket 4600 Benefit-Cost Framework the RI Test includes the value of non-embedded greenhouse gas (GHG) reductions. Of note, in the AESC 2024 study, carbon and NOx avoided costs are combined into streams of GHG avoided costs.

The 2024 AESC Study developed multiple approaches for calculating the non-embedded cost of greenhouse gasses.¹⁶ The four methods for calculating the non-embedded cost of carbon are:

- A damage cost approximated by the social cost of carbon (SCC);
- An approach based on New England MAC (electric sector), assuming a cost derived from electric sector technologies, with offshore wind being the marginal abatement technology; and
- An approach based on New England MAC (multiple sector), assuming a cost derived across multiple sectors (i.e., renewable natural gas).

For the 2025 Annual Plan, the Company uses unadjusted New England MAC (electric sector) values for counterfactual #3. Applying the MAC to energy efficiency savings reflects funds that do not need to be spent on offshore wind to reduce emissions. AESC modeling within a single counterfactual ties together the avoided wholesale costs for the counterfactual and the avoided emissions because they represent the same underlying transmission and generation assumptions.¹⁷ The Company is actively involved in the Executive Climate Change Coordinating Council (EC4) process and, in future plans, will use updated values that result from that process when they are available.

¹⁶ The 2024 AESC Study, re-released in May 2024, may be found at the following: <https://www.synapse-energy.com/sites/default/files/inline-images/AESC%202024%20May%202024.pdf>

¹⁷ In the 2024 Annual Plan, the Company also used the MAC values, but manually zeroed out values after 2033 to demonstrate compliance with the 100% state renewable portfolio standard in that year. The Company is not zeroing out AESC 2024 New England MAC values after 2033 in the 2025 Annual Plan. AESC 2024 models Rhode Island being in compliance with its 2033 RPS requirement. However, the New England MAC in AESC 2024 reflects the regional grid and regional average emissions rate, which is not tied to any particular state's RPS requirement and which will not be 100% renewable by 2023.

The costs of compliance with the Regional Greenhouse Gas Initiative (RGGI) are already included or “embedded” in the projected electric energy market prices. Therefore, in the context of electric savings, these costs are removed from the overall cost of carbon to obtain the non-embedded cost of carbon. In the context of fossil fuel savings, which are not affected by the cost of compliance with RGGI, the full value of the cost of carbon may be used as the non-embedded cost of carbon. The 2024 AESC study found that the cost of carbon is \$182.86 / short ton and the embedded cost of RGGI is \$10.39 / short ton, both levelized over a 15-year period (in 2024 dollars). As a result, the non-embedded costs of compliance under the New England MAC (electric sector) cost basis is \$172.47 / short ton. The same value is used for all fuels. In benefit-cost modelling, the value is translated to \$/MWh or \$/MMBtu depending on the fuel and – as more avoided costs are embedded in commodity values – the year.

The Company obtained the non-embedded cost of GHG values from User Interface file Appendix B of the 2024 AESC Study for electric savings and User Interface file Appendix G for gas, oil (specifically B20 biofuels as detailed in Section 3.5), and propane savings. In this form, the non-embedded cost of GHGs is expressed as a \$/kWh value or a \$/MMBtu value, the former of which depends on the summer/winter peak/off-peak short tons/kWh of electricity from a Synapse-modeled electric grid through time and the latter of which depends on whether the MMBtu savings come from natural gas, oil, and propane given constant emission factors as reported by the U.S. Energy Information Agency.¹⁸ Fossil fuel emission factors are as follows:

- Natural Gas emission factor: 0.0585 short tons/MMBtu
- B20 biofuel emission factor 0.0655 short tons/MMBtu
- Propane emission factor: 0.0680 short tons/MMBtu

The non-embedded greenhouse gas reduction benefit is calculated by multiplying the kWh and/or MMBtu fuel savings by the respective non-embedded cost of carbon specific to that fuel type and temporal category, if applicable (e.g., summer peak).

- Summer Peak Non-Embedded Greenhouse Gas Benefit (\$) = kWh * Energy%_{SummerPk} * SummerPkNonEmbeddedCarbonValue\$/kWh_(@Life) * (1 + %Losses_{SumPk-kWh})
- Summer OffPeak Non-Embedded Greenhouse Gas Benefit (\$) = kWh * Energy%_{SummerOffPk} * SummerOffPkNonEmbeddedCarbonValue\$/kWh_(@Life) * (1 + %Losses_{SummerOffPk-kWh})
- Winter Peak Non-Embedded Greenhouse Gas Benefit (\$) = kWh * Energy%_{WinterPk} * WinterPkNonEmbeddedCarbonValue\$/kWh_(@Life) * (1 + %Losses_{WinterPk-kWh})
- Winter OffPeak Non-Embedded Greenhouse Gas Benefit (\$) = kWh * Energy%_{WinterOffPk} * WinterOffPkNonEmbeddedCarbonValue\$/kWh_(@Life) * (1 + %Losses_{WinterOffPk-kWh})

¹⁸ While Counterfactual #3 is used as the basis of RI’s avoided costs, the User Interface workbook is designed to use Counterfactual #1 for calculating CO2 short tons/MWh from the modeled electric grid. The workbook states “All counterfactuals are expected to have largely similar marginal emission rates.”

- Natural Gas Non-Embedded Greenhouse Gas Benefit (\$) = MMBtu Gas Savings * GasNonEmbeddedCarbonValue\$/MMBtu_(Gas, @Life)
- Fuel Oil Non-Embedded Greenhouse Gas Benefits (\$) = MMBtu Fuel Oil Savings * FuelOilNonEmbeddedCarbonValue\$/MMBtu_(Fuel Oil, @Life)
- Propane Non-Embedded Greenhouse Gas Benefits (\$) = MMBtu Propane Savings * PropaneNonEmbeddedCarbon\$/MMBtu_(Propane, @Life)

To quantify the Year 1 gross carbon reduction due to the 2025 Annual Plan, the relevant emission factors (short tons/MWh or short tons/MMBtu_{Fuel}) are multiplied by the relevant gross annual savings. For the electricity emission factor, the value used reflects an average across the summer/winter peak/off-peak values found in the AESC 2024 study for the Plan year in question. For the 2025 Annual Plan, the Year 1 electricity emission factor is found to be 0.406 short tons/MWh.

Contribution to Rhode Island’s emission reduction targets may be quantified by dividing the annual reduction of gross carbon from measures still operational in 2030, 2040, or 2050 due to the 2025 Annual Plan by the % reduction of Rhode Island’s 1990 Annual Gross GHG Inventory (approximately 14 million short tons) for 2030, 2040, or 2050.¹⁹ The emission reduction targets are 45% of 1990 levels by 2030, 80% of 1990 levels by 2040, and 100% of 1990 levels by 2050.

3.10 Value of Improved Reliability

In accordance with the Docket 4600 Benefit-Cost Framework, the RI Test includes the value of improved reliability from energy efficiency investments.

The 2024 AESC Study used the following methodology to determine the value of improved reliability. As with the 2021 AESC Study, the 2024 AESC Study in part relied on the value of lost load (VoLL) from the Lawrence Berkeley National Laboratories (LBNL) assessment “Updated Value of Service Reliability Estimates for Electric Utility Customers in the United States” and the Cambridge Policy Associates study in July 2018 entitled “Study on the Estimation of the Value of Lost Load of Electricity Supply in Europe.” New for AESC 2024 was the use of an Interruption Cost Estimate (ICE) Calculator funded by the U.S. Department of Energy and developed by LBNL and Nexant, Inc. To develop the estimate of the VoLL in the AESC report, Synapse combined findings from the LBNL and Cambridge Economic Policy Associates studies along with the ICE calculator for each category of customer. Then, using share-of-sales data for the residential, small C&I, and large C&I customer segments, Synapse calculated a weighted average VoLL of \$61 per kWh.

¹⁹ Rhode Island’s Greenhouse Gas Emissions Inventory between 1990 and 2018 may be found at the following: <https://dem.ri.gov/programs/air/ghg-emissions-inventory.php>

The 2024 AESC Study then examined the ability of load reduction to increase reserve margins in the ISO New England (ISO-NE) Forward Capacity Market (FCM) and therefore increase reliability in the wholesale generation market.

Per the 2024 AESC Study, load reductions can improve generation reliability in the following ways:

- Some resources that do not clear ISO New England's Forward Capacity Auction (FCA) will continue to operate as energy-only resources – adding to available reserves. While not obligated to do so, these resources are likely to operate at times of tight supply and high energy prices. These resources may also be available to assume the capacity obligations of resources that unexpectedly retire or otherwise become unavailable.
- Not all energy efficiency load reductions will clear in the capacity market or immediately affect the load forecast used to determine the amount of capacity acquired. Those load reductions will increase reserve margins.
- The operation of the ISO New England capacity market increases the amount of capacity acquired as the price falls. To the extent that energy efficiency programs reduce the capacity clearing price, reserve margins and reliability will increase.

The 2024 AESC Study monetized cleared reliability benefits in \$/kW-month by calculating the product of (a) the change in MWh of reliability benefits per megawatt of reserve, (b) the net increase in cleared supply, (c) the decay effect, and (d) the VoLL.²⁰ Uncleared reliability benefit in \$/kW-month is calculated as the product of (a) the change in MWh of reliability benefits per megawatt of reserve, (b) one plus the reserve margin, (c) the load forecast effect, (d) the decay effect, and (e) the VoLL.

As recommended by the 2021 and 2018 AESC Studies, the Company applies different reliability values to measures that clear and don't clear the Forward Capacity Market auction. This is because the reliability effect of cleared energy efficiency load reductions will be partially offset by reduction in the amount of other capacity cleared, while uncleared load reductions will not be subject to such offsets.

The Company applied Reliability Value of Cleared EE (\$/kW-year) from the 2024 AESC Study to all summer kW savings (and winter kW savings starting in 2028) associated with cleared measures and the Reliability Value of Uncleared EE (\$/kW-year) from the 2024 AESC Study to all summer kW savings (and winter kW savings starting in 2028) associated with uncleared measures. Reliability values are sourced from the AESC User Interface file Appendix B, Counterfactual #3.

The reliability benefit is calculated as follows with the reliability value in \$/kW changing whether a measure is assumed to be cleared or uncleared in the FCM auction.

²⁰ Refer to the 2024 AESC Study section 11.2 for additional detail on the derivation of each of these components.

- Wholesale Reliability Value Benefit (\$) = $kW_{Summer} * ReliabilityValue\$/kW_{(Life)} * (1 + \%Losses_{Summer}kW)$

3.11 Combined Heat and Power Benefits

R.I.Gen.Laws §39-1-27.7(c) (6) (iii) directs the Company to support the development of combined heat and power (CHP). The law requires that the following criteria be factored into the Company's CHP plan: (i) economic development benefits in Rhode Island; (ii) energy and cost savings for customers; (iii) energy supply costs; (iv) greenhouse gas emissions standards and air quality benefits; and (v) system reliability benefits.²¹ Energy and cost savings and energy supply costs are captured in the energy benefits described above. The other three listed benefits – economic development, greenhouse gas, and system reliability benefits – are described below and will be applied to eligible CHP projects, should any be proposed.

Economic Development

As provided by the statute, for all CHP projects, net economic development benefits will be counted as Rhode Island Test benefits. The gross state product multipliers for the program in which it is implemented (e.g., C&I retrofit) presented in Table 1 or Table 2 below will be used to calculate the benefits. The rate of economic development benefit of lifetime gross state product increases per dollar of program investment for CHP projects is based on the report, "Economic Impacts of Rhode Island Energy's 2023 Annual Energy Efficiency Plan" prepared for the Company by the Brattle Group. The multiplier reflects the present value of lifetime state gross domestic product (GDP) effects of program and participant spending that creates jobs in construction and other industries as the project is planned, and equipment is purchased and installed. Therefore, the CHP Economic Development benefits will be calculated as program and participant spending (\$) x program multiplier.

Greenhouse gas emissions standards and air quality benefits

For all CHP projects, greenhouse gas mitigation and air quality benefits will be counted as benefits to the extent they are not already captured in the BCR screening values and to the extent that usable emissions data is available. The emissions profile of the CHP site facility prior to the installation of the retrofit (most likely a combination of grid supplied generation for electricity and an on-site boiler for thermal needs) will be compared to the emissions post-retrofit (most likely the CHP unit alone). The change in emissions in tons will be multiplied by a value of \$/ton for each pollutant and the values will be summed over all pollutants and counted as a benefit in the benefit/cost calculation. This method is contingent on having emissions data for all pollutants. This information is often difficult to come by; for example, ISO-New

²¹ See R.I. Gen.Laws § 39-1-27.7(c) (6) (iii).

England annually publishes emissions per kWh for only SO_x, NO_x, and CO₂. Similarly, the amount of emissions for all pollutants associated with a particular CHP unit is not always provided. Where locational information is not available, the value of CO₂ emission reductions and NO_x reductions will be calculated consistent with Section 3.9 above.

System Reliability

If a CHP project is proposed in a system reliability target area, the system reliability benefits from deferring a distribution system upgrade would be captured in the System Reliability Procurement report. In the context of CHP located elsewhere in the state, system reliability benefits are the local distribution benefits created by the introduction of the CHP unit in the local area. Notably, CHP projects do not produce the same level of deferred distribution investment savings described in Section (3) above, as traditional energy efficiency.²² Accordingly, the distribution benefits are modified as follows:

- For CHP systems of less than 1 MW net capacity, the distribution deferral benefit value estimated by the Company based on system wide averages will be multiplied by 0.75 to incorporate an estimate of the reliability experience of discrete deployment of CHP units compared with end-use reduction efficiency measures which are spread across the state;²³
- For CHP systems equal to or greater than 1 MW net capacity, the distribution benefit will consider location-specific distribution benefits, as opposed to average system-wide benefits. The results of this analysis will replace the adjusted 0.75 of average system-wide distribution benefit described for CHP projects of less than 1 MW. This may entail a detailed engineering analysis performed by the Company, and additional costs. This consideration will have two parts: 1) identification of foreseeable investments that the CHP installation could potentially help defer, and their value; and 2) whether the unit will be sufficiently reliable, or firmed through the provision of physical assurance by the customer, to enable such savings to be realized;

²² With traditional energy efficiency projects, the installed measures permanently reduce load on the electric distribution system and, therefore, reduce the need to make distribution investments. CHP projects may not result in similar deferred distribution investment savings. A CHP unit may not be available at all peak times, and, absent any contractual or mechanical modification to ensure that the load does not reappear, the Company will still need to design and maintain the distribution system for when that unit goes off line during a peak hour on a peak day. This is particularly significant with larger CHP projects, in which a single host customer represents a significant percentage of the total load on a feeder. With multiple smaller units, some level of savings is possible, but these units are still not likely to produce distribution benefits in the same manner as traditional energy efficiency. Of note, for the 2025 Annual Plan, there are no planned CHP units.

²³As explained in footnote 10, *supra*, while multiple small CHP units may produce some level of savings, these units are still not likely to produce distribution benefits in the same manner as traditional energy efficiency. Therefore, the 0.75 factor is adopted as a planning assumption to represent the contingency that, when a single CHP unit on a feeder fails to perform, the load reappears on the system. As more CHP units, particularly smaller units, are deployed in the state, the diversity of operation may allow the adjustment factor to be increased. The Company intends to review this planning assumption based on actual experience for future EE Program Plan filings.

- For CHP projects of 1 net MW or greater, gas system benefits not paid out as incentives to the Customer via the AGT incentive or gas service contract terms will be counted as benefits.²⁴

3.12 Utility Costs

Utility costs incurred to achieve implementation of energy efficiency measures and programs are appropriate for inclusion in the RI Test. These costs have been categorized as follows:

- **Program Planning and Administration (PP&A):** These costs are the administrative costs associated with the utility role in program delivery, including payroll, information technology, contract administration, and overhead expenses.
- **Marketing:** These are the costs of marketing and advertising to promote a program. The costs also include the payroll and expenses to manage marketing.
- **Cost of services and product rebates/incentives provided to customers:** These are the incentives (provided by the program) that customers use to install energy efficient equipment. Incentives include, but are not limited to, rebates to customers, copayments to vendors for direct installation of measures, payments to distributors to buy down the cost of their products for sale in retail stores, payments to vendors to create and deliver information, costs of an education course, or payments to lenders to buy down the interest in a loan. Customer incentives typically cover a portion of the equipment and installation costs directly associated with the energy efficient equipment being installed.²⁵ For a retrofit project, the customer incentives cover a portion of the full cost of the efficiency project, as it is assumed that the alternative to the project is no customer action. For a failed equipment replacement/renovation/new construction project, these customer incentives cover a portion of the incremental additional costs associated with moving to a higher efficiency item or practice compared to what the customer would have done otherwise.
- **Sales, Technical Assistance, and Training (STAT):** These costs include the training and education of the trade ally community regarding the company's current energy efficiency programs. Examples of trade allies include but are not limited to: equipment vendors, heating contractors, lead vendors, project expeditors, weatherization contractors, and equipment installers. These costs also include the tasks associated with internal and contractual delivery of programs. Tasks associated with this budget category include but are not limited to: lead intake, customer service, rebate application, quality assurance, technical assessments, engineering studies, plan reviews, payroll and expenses.

²⁴ For example, a 3 MW installation with an additional sales volume of approximately 150,000 Dth per year would generate approximately \$130,000 of marginal revenue per year under current rates. Assuming \$100,000 of capital costs, the project could qualify for up to \$573,000 in AGT funding, subject to budget limitations.

²⁵ The full cost of the efficiency project is not necessarily the same as the full cost of the project being undertaken by the customer. For example, a customer may be renovating an HVAC project that includes a newly installed chiller and chilled water distribution system. While the new distribution system may be part of the construction project, if it does not contribute to energy savings, it will not be included in the efficiency project cost; only the incremental cost of the new efficient chiller will be considered.

- **Evaluation:** These are the costs of evaluation or market research studies to support program direction and post-installation studies to study program effectiveness or verification of savings estimates. These costs also include the payroll and expenses to manage the research.
- **Performance Incentive:** This is the incentive received by the Company for meeting specified savings goals and/or performance targets (the Company would not implement energy efficiency programs to the extent it does without the incentive). The performance (shareholder) incentive is included in the cost of energy efficiency.

3.13 Customer Costs

Customer costs include the customer's contribution to the installation cost of the efficient measure. Typically, this is the portion of the equipment and installation cost not covered by the customer incentive. As noted above, it excludes the cost of equipment that might be part of the customer's construction project, but that is not related to the energy efficiency portion of the project.

In addition to the direct costs that customers face to purchase energy efficient equipment, they may have additional costs for participating in energy efficiency programs that are not quantified and monetized. For example, a customer participating in a home energy assessment may need to spend some amount of time at home in order to facilitate the assessment, creating some time cost for the customer to participate. The magnitude and value of these additional potential time costs are currently unknown. They would likely vary by sector, program, and possibly measure and are therefore challenging to estimate reliably.

4. BENEFIT COST CALCULATIONS

The cost-effectiveness of a measure, program, or portfolio is determined by calculating whether the ratio of the net present value of the benefits to the net present value of the costs is greater than or equal to 1.

For the 2025 Annual Plan, all costs and benefits will be expressed in constant 2025 dollars. When escalation of specific avoided cost inputs is needed to produce values in 2025 dollars, appropriate inflation rates are used.²⁶

The avoided value component for each benefit (e.g., electric energy, capacity, natural gas, etc.) is the cumulative net present value (in 2025 dollars) of lifetime avoided costs for each year of the planning horizon from the base year up to the measure life of the equipment. Since all future year values are in

²⁶ The inflation rate was calculated using a discount rate that is equal to a twelve-month average of the historic yields from the ten-year United States Treasury note, using the previous calendar year to determine the twelve-month average.

constant 2025 dollars, calculated lifetime benefits are discounted back to mid-2025 using a real discount rate.

As prescribed by the Standards, all values in the Plan and the benefit-cost model are stated in present value terms, “using a discount rate that appropriately reflects the risks of the investment of customer funds in Least-Cost Procurement. Energy efficiency is a low-risk resource in terms of cost of capital risk, project risk, and portfolio risk.” For the 2025 Annual Plan, the Company used the same approach used to calculate the discount rate in the 2024 Annual Plan. The calculations resulted in a real discount rate of 1.68% and nominal discount rate of 3.96% for the 2025 Annual Plan.

The total benefits will equal the sum of the NPV of each benefit component:

[Energy Benefits + Generation Capacity Benefits + Avoided T&D Benefits + Natural Gas Benefits + Fuel Benefits + Water & Sewer Benefits + Non-Resource Benefits + Price Effects Benefits + Non-embedded Greenhouse Gas Reduction Benefits + Non-embedded NOx Reduction Benefits + Value of Improved Reliability + Economic Development Benefits (where counted; treatment as described above for CHP and below for other measures)]

The total costs will equal the sum of the NPV of each cost component:

[Program Planning and Administration + Sales, Training, Technical assistance + Marketing + Rebates and Other Customer Incentives + Evaluation + Shareholder incentive+ Customer Cost]

The RI Test benefit cost ratio will then equal:

Total NPV Benefits/Total NPV Costs

Per the Standards, on a program level, all benefit categories are included in the benefit/cost calculation. All cost categories, except the shareholder incentive, are included at the program level because they are tracked at that level.²⁷

On a sector level, the cost of pilots, community-based initiatives, sector financing, workforce development, and educational/outreach programs (which are not focused on producing savings), and the projected shareholder incentive, are included with the other costs in the determination of cost-effectiveness. The shareholder incentive is included at this level because it is designed to achieve savings targets by sector. At a portfolio level, the allocations to the Office of Energy Resources and EERMC are also included in the cost-effectiveness calculation.

²⁷ Commitments, if any, of customer incentives made from one year to the next are excluded from the program costs used in the benefit/cost calculation. The costs are only counted in the year in which the incentive is paid and the savings are counted.

Separate calculations of benefits and cost-effectiveness are provided for the electric energy efficiency programs and natural gas energy efficiency programs. Some electric energy efficiency programs are expected to produce natural gas savings in addition to electricity savings while some natural gas energy efficiency programs are expected to produce electricity savings in addition to natural gas savings. For example, an HVAC project that improves air distribution incentivized through the electric Large C&I Retrofit Program will produce natural gas savings when natural gas is used by the participant for heating. All resource benefits produced by a program are shown with that program.

5. ECONOMIC IMPACTS (NON-CHP MEASURES)²⁸

Per the practice first set for the 2022 Plan and with the agreement of stakeholders, economic impacts are presented separately and not included in the estimation of the RI Test ratios. The Rhode Island PUC may consider the estimated value of these economic impacts in their determination of cost-effectiveness under the Least Cost Procurement standards.²⁹

The macroeconomic multipliers for the economic growth and job creation benefits of investing in cost-effective energy efficiency are based on the report, “Economic Impacts of Rhode Island Energy’s 2023 Annual Energy Efficiency Plan” prepared for the Company by the Brattle Group in 2023. This study is an update to “Review of RI Test and Proposed Methodology” prepared for the Company by the Brattle Group in 2019. The updated study identified values for other categories of economic impact identified by the Division (i.e., business income, personal income, state income taxes) and gave attention to the question of how double counting of economic benefits in cost-effectiveness testing can be avoided. The presentation of economic impacts in Attachments 5 and 6 includes gross domestic product associated with the proposed investment in energy efficiency in Rhode Island in 2025 using values derived from the Brattle study. The macroeconomic multipliers for job-years associated with proposed investments in energy efficiency are still sourced from the Brattle Group’s 2019 report. The Brattle Group’s 2023 report did not contain updated job-year multipliers.

The exclusion of economic benefits from cost-effectiveness calculations was motivated by the DPUC, via their consultant Synapse Energy Economics, who conducted a benefit cost analysis and assessment of the treatment of macroeconomic benefits of the RI Community Remote Net Metering (CRNM) program in early 2021.³⁰ This analysis recommended that, due to the challenges of fully separating all benefit streams within macroeconomic benefits from those already included in other benefit categories counted in the RI

²⁸ This section details the methodology for applying economic benefits to non-CHP measures. Section 3.11 in this document refers to the application of economic benefits to CHP measures.

²⁹ LCP Standards, Section 3.2(N) states “qualitative benefits and costs may be considered in determining cost-effectiveness.” The exception to this would be for Combined Heat and Power facilities, since the inclusion of economic benefits is required by statute.

³⁰ <http://www.ripuc.ri.gov/generalinfo/Synapse-CRNM-Macroeconomic-Report-2021.pdf>

Test, the results of an economic impact assessment (EIA) should be shown separately from a BCA and that further discussion of the approach to including economic benefits in the RI Test are warranted to refine the estimation of macroeconomic benefits.

For the 2025 Annual Energy Efficiency Plan, the Company shows RI Test results without economic impacts included. Omission of the macroeconomic benefits and other economic impacts lowers benefit cost ratios for all programs and the portfolios as a whole. Because this is a conservative approach to addressing potential double counting and likely underestimates cost-effectiveness, the Company submits that the cost-effectiveness of its programs and portfolios is likely greater than what is shown for the RI Test and requests that the Commission take this into consideration when assessing the cost-effectiveness of the Plan.

Figure 1. Multipliers by Energy Efficiency Program Type

Program Type	GDP / \$ Program Spending	Job Years / \$M Program Spending
Electric Portfolio		
<i>Residential Programs</i>		
Residential New Construction	1.66	14.8
Residential HVAC	1.45	12.2
EnergyWise Single Family	1.17	12.3
EnergyWise Multifamily	1.97	14.8
Home Energy Reports	2.17	13.6
Residential Consumer Products	1.76	8.5
Income Eligible Single Family	1.67	10.9
Income Eligible Multifamily	2.37	13.4
<i>C&I Programs</i>		
Large C&I New Construction	4.76	19.0
Large C&I Retrofit	2.06	51.4
Small Business Direct Install	1.97	12.3
Gas Portfolio		
<i>Residential Programs</i>		
Residential New Construction	1.19	2.4
Residential HVAC	1.06	6.9
EnergyWise Single Family	0.87	11.9
EnergyWise Multifamily	2.30	16.5
Home Energy Reports	2.77	7.5
Income Eligible Single Family	1.53	12.1
Income Eligible Multifamily	2.31	16.0
<i>C&I Programs</i>		
Large C&I New Construction	5.28	1.2
Large C&I Retrofit	1.92	16.4
Small Business Direct Install	2.50	13.4
C&I Multifamily	3.46	11.0

6. DOCKET 4600 BENEFIT COST FRAMEWORK

Table 1. Alignment of RI Test to Docket 4600 Framework for 2025 Electric Energy Efficiency Portfolio

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Category	#	Subcategory	Treatment	Value or Qualitative Description	Notes	Benefit or Cost
1	Power System Level	1	Energy Supply & Transmission Operating Value of Energy Provided or Saved	Quantified	\$18,461,772	Energy Efficiency Measures: Winter peak electric energy (kWh) savings are monetized for winter peak by multiplying savings during this period by the avoided retail cost of winter peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit
2				Quantified	\$16,188,023	Energy Efficiency Measures: Winter off-peak electric energy (kWh) savings are monetized for winter peak by multiplying savings during this period by the avoided retail cost of winter off-peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit
3				Quantified	\$7,180,258	Energy Efficiency Measures: Summer peak electric energy (kWh) savings are monetized for winter peak by multiplying savings during this period by the avoided retail cost of Summer peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit
4				Quantified	\$5,358,467	Energy Efficiency Measures: Summer off-peak electric energy (kWh) savings are monetized for winter peak by multiplying savings during this period by the avoided retail cost of Summer off-peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit
5				Quantified	\$3,073,900	Energy Efficiency Measures: Value of avoided summer generation capacity benefit is monetized by the AESC 2024 study avoided costs	Benefit
6				Quantified	\$1,615,444	Energy Efficiency Measures: Value of avoided winter generation capacity benefit is monetized by the AESC 2024 study avoided costs	Benefit
7		2	Renewable Energy Credit Cost / Value	Quantified	See Notes	Wholesale cost of RECs is included in the winter peak, winter off-peak, summer peak, and summer off-peak retail energy costs from the preceding category.	Benefit

8		3	Retail Supplier Risk Premium	Quantified	See Notes	Wholesale Risk Premium is built into the retail costs of electric energy and electric capacity sourced from the AESC 2024 study and used to calculate the benefits of avoided energy and capacity.	Benefit
9		4	Forward Commitment: Capacity Value	Quantified	See Notes	Forward capacity avoided costs are included in capacity benefits.	Benefit
10		5	Forward Commitment: Avoided Ancillary Services Value	Not applicable	See Notes	Not applicable to energy efficiency	Not Applicable
11		6	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	\$81,945,694	Rhode Island Energy costs to implement the electric energy efficiency portfolio. Total budget includes costs for Program Planning & Administration; Marketing; Customer Incentives; Sales Technical Assistance and Training; Evaluation & Market Research; Performance Incentive Mechanism	Cost
12		7	Electric PTF Transmission Capacity Costs / Value	Quantified	\$6,482,630	Energy Efficiency: Electric transmission capacity benefits are quantified by multiplying a statewide Pooled Transmission Facility (PTF) transmission value from AESC 2024 study by the summer kW saved from efficiency measures	Benefit
13			Electric Non-PTF Transmission Capacity Costs / Value	Quantified	\$1,204,474	Energy Efficiency: Electric transmission capacity benefits are quantified by multiplying a statewide Pooled Transmission Facility (PTF) transmission value from AESC 2024 study by the summer kW saved from efficiency measures	Benefit
14		8	Electric transmission infrastructure costs for Site Specific Resources	Not applicable	See Notes	Currently no location-specific energy efficiency included, all measures offered across service territory.	Not Applicable
15		9	Net risk benefits to utility system operations (generation, transmission, distribution)	Quantified	\$53,046	Value of Improved Reliability benefit calculated based on reliability value from the AESC 2024 study multiplied by the avoided summer kW savings. Values included in the row "Distribution system and customer reliability / resilience impacts"	Benefit
16		10	Option value of individual resources	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined

17		11	Investment under Uncertainty: Real Options Cost / Value	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
18		12	Energy Demand Reduction Induced Price Effect	Quantified	\$1,591,272	Energy Efficiency measures: Electric Energy (kWh) Intrastate DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit
19				Quantified	\$23,156,983	Energy Efficiency measures: Electric Energy (kWh) Rest-of-Pool DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit
20				Quantified	\$233,715	Energy Efficiency measures: Electric Energy (kWh) Cross-DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit
21				Quantified	\$2,117,685	Energy Efficiency measures: Electric Generation Capacity (kW) DRIPE value quantified by multiplying avoided summer kW by applicable capacity DRIPE values (\$/kW) from the AESC 2024 study.	Benefit
22				Quantified	See Fuel benefits	Additional DRIPE benefits for oil fuel savings from energy efficiency measures are quantified by multiplying oil fuel savings (MMBtu) by applicable oil DRIPE values (\$/MMBtu) from the AESC 2024 study. These benefits are included in the category "Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water".	Benefit
23				Quantified	See notes	Gas Resource Benefits in the Electric energy efficiency Benefit Cost Model includes Gas Supply DRIPE and Gas-Electric Cross DRIPE monetized by multiplying the gas savings attributable to the electric portfolio measures by applicable avoided cost series from the AESC 2024 study. These benefits are included in the category "Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water".	Benefit

24		13	Greenhouse gas compliance costs	Quantified	See notes	Cost of compliance with criteria air pollutant regulations are included in the wholesale electric energy commodity costs from the AESC 2024 study and are included in the calculation of the energy benefits in the category "Energy Supply & Transmission Operating Value of Energy Provided or Saved"	Benefit
25		14	Criteria air pollutant and other environmental compliance costs	Quantified	See notes	Cost of compliance with criteria air pollutant regulations are included in the wholesale electric energy commodity costs from the AESC 2024 study and are included in the calculation of the energy benefits in the category "Energy Supply & Transmission Operating Value of Energy Provided or Saved"	Benefit
26		15	Innovation and Learning by Doing	Not Quantified or Qualified	See notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs. Likely a minimal value in comparison to other benefits included in RI Test, but possible value due to pilots, demonstrations, and assessments included in programs.	Benefit
27		16	Distribution capacity costs	Quantified	\$13,693,257	Energy Efficiency: Electric distribution capacity benefits are quantified by multiplying a Company-generated distribution value (\$/kW) by the summer kW saved from efficiency measures.	Benefit
28		17	Distribution delivery costs	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
29		18	Distribution system safety loss/gain	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
30		19	Distribution system performance	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
31		20	Utility low income	Quantified	See Notes	Reduced arrearages; bad debt write-offs; terminations and reconnections; notices; safety related emergency calls; customer calls and collections; and rate discounts are included as NEIs for income eligible programs. Aggregated with other NEIs in row "Program participant / prosumer benefits / costs"	Benefit

32		21	Distribution system and customer reliability / resilience impacts	Quantified	See Cat. #9	Energy Efficiency: Value of Improved Reliability benefit calculated based on reliability value from the AESC 2024 study multiplied by the avoided summer kW savings.	Benefit
33	Customer Level	22	Program participant / prosumer benefits / costs	Quantified	\$16,145,415	Energy Efficiency measures: Participant contribution cost is the direct cost of the measure that is not covered by the customer rebate/incentive for energy efficiency measures.	Cost
34				Quantified	\$22,629,412	Quantifiable non-resource, non-energy impacts are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan. Non resource, non-energy impacts may include but are not limited to labor, material, facility use, health and safety, materials handling, national security, property values, and transportation. Includes quantified utility NEIs noted elsewhere in this table, and national security NEI value.	Benefit
35		23	Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water	Quantified	\$14,123,547	Energy Efficiency measures: Quantification of Resource Benefits from: Natural Gas, Oil, Propane, Water & Sewage. Natural Gas Benefits are based on Appendix C of the 2024 AESC study, Oil and Propane Benefits are based on Appendix D of the 2024 AESC study, Water & Sewage Benefits are derived from an internet survey of rates posted to the RI PUC website.	Benefit
36		24	Low-Income Participant Benefits	Quantified	See Notes	Low-Income Participant Benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan and TRM. See the category "Program participant / prosumer benefits / costs" for these benefits	Benefit
37		25	Consumer Empowerment & Choice	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
38		26	Non-participant (equity) rate and bill impacts	Quantified	See Notes	External to cost effectiveness analysis. Bill Impacts model the effects of efficiency programs on annual customer bills by aggregating rate and consumption changes, including non-participants.	Benefit (but not included in BCA screening)

39	Societal Level	27	Greenhouse gas externality costs	Quantified	\$48,036,243	Energy Efficiency measures: Quantified Non-embedded Greenhouse gas reduction benefits obtained from the 2024 AESC Study. Non-embedded CO2 values are sourced from the following tables in the 2024 AESC Study Appendix B for electric savings and Appendix G for gas savings, oil savings, and propane savings.	Benefit
40		28	Conservation and community benefits	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined
41		29	Non-energy costs/benefits: Economic Development	Quantified	\$149,029,468	Energy efficiency measures: The Company is treating the economic benefits category qualitatively in the primary RI Test and are presented separately in an additional table. Economic benefits are calculated by multiplying program spending by a set of multipliers calculated in accordance with a methodology developed in the report: "Brattle Group Review of RI Test and Proposed Methodology Final"	Benefit
42		30	Innovation and knowledge spillover (Related to demonstration projects and other RD&D preceding larger scale deployment)	Qualified	Likely minimal value	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs. The portfolio of programs includes pilots, demonstrations and assessments and these likely generate benefits to further program and market development. The value of these innovation and knowledge spillover benefits is unknown but is estimated to be small in comparison to the overall magnitude of benefits currently included in the screening of the electric portfolio.	Benefit
43		31	Societal Low-Income Impacts	Not Quantified or Qualified	See Notes	Participant Low-Income Benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan and TRM. Societal low-income impacts are not included. Participant NEIs are aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Undetermined

44		32	Public Health	Not Quantified or Qualified	See Notes	Participant health benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan, societal public health benefits are not monetized. Participant NEIs are aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Benefit
45		33	National Security and US international influence	Quantified	See Notes	National Security due to avoided oil imports are monetized for residential and income eligible measures that save oil in accordance with the Rhode Island TRM. The value of this NEI is aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Benefit

Table 2. Alignment of RI Test to Docket 4600 Framework for 2025 Natural Gas Energy Efficiency Portfolio

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Category	#	Subcategory	Treatment	Value or Qualitative Description	Notes	Benefit or Cost	Related to Gas Utility Service
1	Power System Level	1	Energy Supply & Transmission Operating Value of Energy Provided or Saved	Quantified	\$22,061,918	Natural gas energy efficiency measures. Value of natural gas supply monetized by the AESC 2024 study avoided costs. Natural Gas Benefits are based on Appendix C of the 2024 AESC study. Includes avoided cost of delivering gas (retail margin) and the avoided cost of the gas.	Benefit	Yes
2				Quantified	\$80,461	Energy Efficiency Measures: Winter peak electric energy (kWh) savings associated with natural gas efficiency are monetized for winter peak by multiplying savings during this period by the avoided retail cost of winter peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit	No
3				Quantified	\$88,581	Energy Efficiency Measures: Winter off-peak electric energy (kWh) savings associated with natural gas efficiency are monetized for winter peak by multiplying savings during this period by the avoided retail cost of winter off-peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit	No

4				Quantified	\$73,321	Energy Efficiency Measures: Summer peak electric energy (kWh) savings associated with natural gas efficiency are monetized for winter peak by multiplying savings during this period by the avoided retail cost of Summer peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit	No
5				Quantified	\$64,500	Energy Efficiency Measures: Summer off-peak electric energy (kWh) savings associated with natural gas efficiency are monetized for winter peak by multiplying savings during this period by the avoided retail cost of Summer off-peak energy from Appendix B of the avoided cost schedules in the AESC 2024 study.	Benefit	No
6				Quantified	\$45,346	Energy Efficiency Measures: Value of avoided summer generation capacity benefit is monetized by the AESC 2024 study avoided costs.	Benefit	No
7				Quantified	\$17,221	Energy Efficiency Measures: Value of avoided winter generation capacity benefit is monetized by the AESC 2024 study avoided costs.	Benefit	No
8		2	Renewable Energy Credit Cost / Value	Quantified	See Notes	Wholesale cost of REC's is included in the winter peak, winter off-peak, summer peak, and summer off-peak retail energy costs from the preceding category.	Benefit	No
9		3	Retail Supplier Risk Premium	Quantified	See Notes	Wholesale Risk Premium is built into the retail costs of electric energy and electric capacity sourced from the AESC 2024 study and used to calculate the benefits of avoided energy and capacity.	Benefit	No
10		4	Forward Commitment: Capacity Value	Quantified	See Notes	Forward capacity avoided costs are included in capacity benefits.	Benefit	No
11		5	Forward Commitment: Avoided Ancillary Services Value	Not applicable	See Notes	Not applicable to energy efficiency.	Not Applicable	No

12	6	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	\$34,445,368	Rhode Island Energy costs to implement the natural gas energy efficiency portfolio. Total budget includes costs for Program Planning & Administration; Marketing; Customer Incentives; Sales Technical Assistance and Training; Evaluation & Market Research; Performance Incentive Mechanism.	Cost	Yes
13	7	PTF Electric Transmission Capacity Costs / Value	Quantified	\$83,755	Energy Efficiency: Electric transmission capacity benefits are quantified by multiplying a Pooled Transmission Facility (PTF) transmission value from AESC 2024 study by the summer kW saved from efficiency measures.	Benefit	No
14		Non-PTF Electric Transmission Capacity Costs / Value	Quantified	\$19,597	Energy Efficiency: Electric transmission capacity benefits are quantified by multiplying a Non-Pooled Transmission Facility (Non-PTF) transmission value from AESC 2024 study by the summer kW saved from efficiency measures.	Benefit	No
15	8	Electric transmission infrastructure costs for Site Specific Resources	Not applicable	See Notes	Currently no location-specific energy efficiency included, all measures offered across service territory.	Not Applicable	No
16	9	Net risk benefits to utility system operations (generation, transmission, distribution)	Quantified	\$246	Value of Improved Reliability benefit calculated based on reliability value from the AESC 2024 study multiplied by the avoided summer kW savings. Values included in the row "Distribution system and customer reliability / resilience impacts".	Benefit	No
17	10	Option value of individual resources	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined	Undetermined
18	11	Investment under Uncertainty: Real Options Cost / Value	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined	Undetermined

19		12	Energy Demand Reduction Induced Price Effect	Quantified	\$7,461	Energy Efficiency measures: Electric Energy (kWh) Intrastate DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit	No
20				Quantified	\$106,787	Energy Efficiency measures: Electric Energy (kWh) Rest-of-Pool DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit	No
21				Quantified	\$1,562	Energy Efficiency measures: Electric Energy (kWh) Cross-DRIPE values quantified based on the energy DRIPE values included in the AESC 2024 study. Calculated for each of winter peak, winter off-peak, summer peak, and summer off-peak.	Benefit	No
22				Quantified	\$25,530	Energy Efficiency measures: Electric Generation Capacity (kW) DRIPE value quantified by multiplying avoided summer kW by applicable capacity DRIPE values (\$/kW) from the AESC 2024 study.	Benefit	No
23				Quantified	See Fuel benefits	Additional DRIPE benefits for oil fuel savings from energy efficiency measures are quantified by multiplying oil fuel savings (MMBtu) by applicable oil DRIPE values (\$/MMBtu) from the AESC 2024 study. These benefits are included in the category "Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water". Natural Gas measures do not have delivered fuel savings, so no value for the natural gas portfolio.	Benefit	No
24				Quantified	\$7,823,682	Gas Supply DRIPE monetized by multiplying the gas savings attributable to the electric portfolio measures by applicable avoided cost series from the AESC 2024 study. These benefits are included in the category "Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water".	Benefit	Yes

25		13	Greenhouse gas compliance costs	Quantified	See notes	Cost of compliance with criteria air pollutant regulations are included in the wholesale electric energy commodity costs from the AESC 2024 study and are included in the calculation of the electric energy benefits in the category "Energy Supply & Transmission Operating Value of Energy Provided or Saved"	Benefit	No
26		14	Criteria air pollutant and other environmental compliance costs	Quantified	See notes	Cost of compliance with criteria air pollutant regulations are included in the wholesale electric energy commodity costs from the AESC 2024 study and are included in the calculation of the electric energy benefits in the category "Energy Supply & Transmission Operating Value of Energy Provided or Saved"	Benefit	No
27		15	Innovation and Learning by Doing	Qualified	Likely minimal value	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs. Likely a minimal value in comparison to other benefits included in RI Test, but possible value due to pilots, demonstrations, and assessments included in programs.	Undetermined	Undetermined
28		16	Distribution capacity costs	Quantified	\$222,787	Energy Efficiency: Electric distribution capacity benefits are quantified by multiplying a Company-generated distribution value (\$/kW) by the summer kW saved from efficiency measures.	Benefit	Undetermined
29		17	Distribution delivery costs	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of natural gas energy efficiency programs.	Undetermined	Undetermined
30		18	Distribution system safety loss/gain	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of natural gas energy efficiency programs.	Undetermined	Undetermined

31		19	Distribution system performance	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of natural gas energy efficiency programs.	Undetermined	Undetermined
32		20	Utility low income	Quantified	See Notes	Reduced arrearages; bad debt write-offs; terminations and reconnections; notices; safety related emergency calls; customer calls and collections; and rate discounts are included as NEIs for income eligible programs. Aggregated with other NEIs in row "Program participant / prosumer benefits / costs"	Benefit	No
33		21	Distribution system and customer reliability / resilience impacts	Quantified	See Cat. #9	Value of Improved Reliability benefit calculated based on reliability value from the AESC 2024 study multiplied by the avoided summer kW savings. Applies to energy efficiency measures.	Benefit	No
34	Customer Level	22	Program participant / prosumer benefits / costs	Quantified	\$7,168,665	Energy Efficiency measures: Participant contribution cost is the direct cost of the measure that is not covered by the customer rebate/incentive for energy efficiency measures.	Cost	No
35				Quantified	\$14,353,555	Quantifiable non-resource, non-energy impacts are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan. Non resource, non-energy impacts may include but are not limited to labor, material, facility use, health and safety, materials handling, national security, property values, and transportation. Includes quantified utility NEIs noted elsewhere in this table, and national security NEI value.	Benefit	No
36		23	Participant non-energy costs/benefits: Oil, Water, Waste Water	Quantified	\$0	Energy Efficiency measures: Quantification of Resource Benefits from: Oil, Propane, Water & Sewage. Oil and Propane Benefits are based on Appendix D of the 2024 AESC study, Water & Sewage Benefits are derived from an internet survey of rates posted to the RI PUC website.	Benefit	No

37		24	Low-Income Participant Benefits	Quantified	See Notes	Low-Income Participant Benefits benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan. See the category "Program participant / prosumer benefits / costs" for these benefits	Benefit	No
38		25	Consumer Empowerment & Choice	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs.	Undetermined	No
39		26	Non-participant (equity) rate and bill impacts	Quantified	See Notes	External to cost effectiveness analysis. Bill Impacts model the effects of efficiency programs on annual customer bills by aggregating rate and consumption changes, including non-participants. Electric and natural gas rate and bill impact models included in Attachment 7 of the Annual Plan	Benefit (but not included in BCA screening)	No
40	Societal Level	27	Greenhouse gas externality costs	Quantified	\$31,074,326	Energy Efficiency measures: Quantified Non-embedded Greenhouse gas reduction benefits obtained from the 2024 AESC Study. Non-embedded CO2 values are sourced from the following tables in the 2024 AESC Study Appendix B for electric savings and Appendix G for gas savings, oil savings, and propane savings.	Benefit	No
41		28	Conservation and community benefits	Not Quantified or Qualified	See Notes	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of natural gas energy efficiency programs.	Undetermined	Undetermined
42		29	Non-energy costs/benefits: Economic Development	Quantified	\$52,448,784	Energy efficiency measures: The Company is treating the economic benefits category qualitatively in the primary RI Test and presenting economic benefits in a separate table. Economic benefits are calculated by multiplying program spending by a set of multipliers calculated in accordance with a methodology developed in the report: "Brattle Group Review of RI Test and	Benefit	No

						Proposed Methodology Final"		
43		30	Innovation and knowledge spillover (Related to demonstration projects and other RD&D preceding larger scale deployment)	Qualified	Likely minimal value	Additional research necessary to determine applicability and qualitative/quantitative impacts for cost effectiveness screening of energy efficiency programs. The portfolio of programs includes pilots, demonstrations and assessments and these likely generate benefits to further program and market development. The value of these innovation and knowledge spillover benefits is unknown but is estimated to be small in comparison to the overall magnitude of benefits currently included in the screening of the electric portfolio.	Benefit	Undetermined
44		31	Societal Low-Income Impacts	Not Quantified or Qualified	See Notes	Participant Low-Income Benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan and TRM. Societal low-income impacts are not included. Participant NEIs are aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Undetermined	Undetermined
45		32	Public Health	Quantified	See Notes	Participant health benefits are included within the calculation of Non-Energy Impacts as described within the Non-Energy Impacts section of the Annual Plan, societal public health benefits are not monetized. Participant NEIs are aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Benefit	No

46		33	National Security and US international influence	Quantified	See Notes	National Security due to avoided oil imports are monetized for residential and income eligible measures that save oil in accordance with the Rhode Island TRM. The value of this NEI is aggregated with other Non-Energy Impacts and shown in the Program participant / prosumer benefits / costs category.	Benefit	Undetermined
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Table E-1
Rhode Island Energy
2025 DSM Funding Sources by Sector (\$000)

	(a)	(b)	(c)	(d)
	Residential	Income Eligible Residential	Commercial & Industrial	Portfolio
(1) Projected Budget	\$28,306,049	\$14,616,788	\$39,022,857	\$81,945,694
Sources of Other Funding	\$0	\$0	\$0	\$0
(2) Projected DSM Commitments from Previous Year	\$0	\$0	\$0	\$0
(3) Projected Fund Balance and Interest from Previous Year	-\$9,785,440	\$0	\$15,235,512	\$5,450,072
(4) Projected FCM Net Revenue from ISO-NE	\$3,934,860	\$327,761	\$5,532,459	\$9,795,080
(5) Total Other Funding	-\$5,850,580	\$327,761	\$20,767,971	\$15,245,152
(6) Customer Funding Required	\$34,156,629	\$14,289,027	\$18,254,886	\$66,700,542
(7) Forecasted kWh Sales	2,956,535,995	246,269,500	4,156,924,133	7,359,729,627
(8) Energy Efficiency Program Charge per kWh (Excluding Uncollectible Recovery)				\$0.00906
(9) Proposed SRP Opex Factor per kWh (Excluding Uncollectible Recovery)				\$0.00000
(10) Total Proposed Energy Efficiency Charge per kWh (Excluding Uncollectible Recovery)				\$0.00906
(11) Currently Effective Uncollectible Rate				1.3%
(12) Proposed Energy Efficiency Program Charge per kWh (Including Uncollectible Recovery)				\$0.00917
(13) Previous Year's Energy Efficiency Program Charge per kWh				\$0.01139
(14) Adjustment to Reflect Fully Reconciling Funding Mechanism per kWh				-\$0.00222

Notes:

- (1) Projected Budget includes regulatory costs which are allocated by forecasted kWh sales to each sector.
- (4) Projected FCM Net Revenue from ISO-NE is allocated by forecasted kWh sales to each sector.
- (5) Total Other Funding equals Line (2) + Line (3) + Line (4)
- (6) Customer Funding Required equals Line (1) - Line (5)
- (8) Energy Efficiency Program Charge per kWh (Excluding Uncollectible Recovery) equals Line (6) ÷ Line (7), truncated to five decimal places.
- (10) Total Proposed Energy Efficiency Charge per kWh (Excluding Uncollectible Recovery) equals Line (8) + Line (9)
- (11) Uncollectible rate approved in Docket No. 4770.
- (12) Proposed Energy Efficiency Program Charge per kWh (Including Uncollectible Recovery) equals Line (10) ÷ (1-Line (11)), truncated to five decimal places.
- (14) Adjustment to Reflect Fully Reconciling Funding Mechanism per kWh equals Line (12) - Line (13)

Table E-2
Rhode Island Energy
2025 Energy Efficiency Program Budget (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Program Planning and Administration	Marketing	Rebates and Other Customer Incentives	Sales, Technical Assistance, and Training	Evaluation and Market Research	Performance Incentive	Grand Total
Residential							
Residential New Construction	\$129.8	\$25.3	\$775.8	\$561.1	\$56.8		\$1,548.8
Residential HVAC	\$392.7	\$314.0	\$4,567.6	\$853.0	\$187.9		\$6,315.1
EnergyWise Single Family	\$329.5	\$393.0	\$9,248.5	\$1,620.8	\$257.3		\$11,849.2
EnergyWise Multifamily	\$116.3	\$71.6	\$617.9	\$120.5	\$17.9		\$944.2
Home Energy Reports	\$23.9	\$14.0	\$0.0	\$2,250.7	\$19.2		\$2,307.7
Residential Consumer Products	\$116.5	\$450.9	\$739.1	\$572.5	\$257.1		\$2,136.2
Comprehensive Marketing - Residential	\$0.0	\$334.5	\$0.0	\$0.0	\$0.0		\$334.5
Community Based Initiatives - Residential	\$0.0	\$143.6	\$0.0	\$0.0	\$0.0		\$143.6
Residential Pilots	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Residential Performance Incentive						\$521.6	\$521.6
Subtotal	\$1,108.7	\$1,746.8	\$15,948.9	\$5,978.6	\$796.2	\$521.6	\$26,101.0
Income Eligible Residential							
Income Eligible Single Family	\$290.6	\$151.7	\$9,480.4	\$2,074.5	\$166.8		\$12,164.1
Income Eligible Multifamily	\$228.4	\$15.2	\$1,692.2	\$290.7	\$42.5		\$2,269.0
Income Eligible Performance Incentive						\$0.0	\$0.0
Subtotal	\$519.0	\$166.9	\$11,172.7	\$2,365.2	\$209.3	\$0.0	\$14,433.1
Commercial & Industrial							
Large C&I New Construction	\$200.2	\$223.2	\$4,212.3	\$1,808.5	\$220.6		\$6,664.9
Large C&I Retrofit	\$613.2	\$165.7	\$13,731.1	\$4,536.3	\$758.7		\$19,805.0
Small Business Direct Install	\$227.7	\$207.2	\$6,614.6	\$271.5	\$87.9		\$7,409.0
C&I Financing	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Community Based Initiatives - C&I	\$2.5	\$0.0	\$0.0	\$8.8	\$0.0		\$11.3
Commercial Pilots	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Commercial & Industrial Performance Incentive						\$2,032.3	\$2,032.3
Subtotal	\$1,043.6	\$596.1	\$24,558.0	\$6,625.2	\$1,067.2	\$2,032.3	\$35,922.5
Portfolio							
EERMC	\$638.1	\$0.0	\$0.0	\$0.0	\$0.0		\$638.1
OER	\$1,168.7	\$0.0	\$0.0	\$0.0	\$0.0		\$1,168.7
Rhode Island Infrastructure Bank	\$0.0	\$0.0	\$3,682.4	\$0.0	\$0.0		\$3,682.4
Subtotal	\$1,806.8	\$0.0	\$3,682.4	\$0.0	\$0.0	\$0.0	\$5,489.2
Total	\$4,478.1	\$2,509.9	\$55,362.0	\$14,969.0	\$2,072.8	\$2,554.0	\$81,945.7

Notes:

- (1) For more information on finance costs, please refer to Attachment 2, Section 9.
- (2) EEC budget sourced from "2025 EEC Budget Proposal", Consultant Team Presentation, September 12, 2024.
- (3) OER budget is equal to 3% of 60% of SBC collections.
- (4) Workforce development, demonstrations, and assessments budgets are embedded in specific program level budgets listed above.

Table E-3
Rhode Island Energy
2025 PIM Budget (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)
	Proposed Budget	Commitments	Regulatory Costs	Performance Incentive	Eligible Sector PIM Budget for Performance Incentive	Program Implementation Expenses for Cost-Effectiveness
1 Residential						
2 Residential New Construction	\$1,548.8					\$1,548.8
3 Residential HVAC	\$6,315.1					\$6,315.1
4 EnergyWise Single Family	\$11,849.2					\$11,849.2
5 EnergyWise Multifamily	\$944.2					\$944.2
6 Home Energy Reports	\$2,307.7					\$2,307.7
7 Residential Consumer Products	\$2,136.2					\$2,136.2
8 Comprehensive Marketing - Residential	\$334.5					\$334.5
9 Community Based Initiatives - Residential	\$143.6					\$143.6
10 Residential Pilots	\$0.0					\$0.0
11 Residential Performance Incentive	\$521.6			\$521.6		
12 Subtotal	\$26,101.0	\$0.0	\$0.0	\$521.6	\$25,579.3	\$25,579.3
13 Income Eligible Residential						
14 Income Eligible Single Family	\$12,164.1					\$12,164.1
15 Income Eligible Multifamily	\$2,269.0					\$2,269.0
16 Income Eligible Performance Incentive	\$0.0			\$0.0		
17 Subtotal	\$14,433.1	\$0.0	\$0.0	\$0.0	\$14,433.1	\$14,433.1
18 Commercial & Industrial						
19 Large C&I New Construction	\$6,664.9					\$6,664.9
20 Large C&I Retrofit	\$19,805.0					\$19,805.0
21 Small Business Direct Install	\$7,409.0					\$7,409.0
22 C&I Financing	\$0.0					\$0.0
23 Community Based Initiatives - C&I	\$11.3					\$11.3
24 Commercial Pilots	\$0.0					\$0.0
25 Commercial & Industrial Performance Incentive	\$2,032.3			\$2,032.3		
26 Subtotal	\$35,922.5	\$0.0	\$0.0	\$2,032.3	\$33,890.1	\$33,890.1
27 Portfolio						
28 EERMC	\$638.1		\$638.1			\$638.1
29 OER	\$1,168.7		\$0.0			\$1,168.7
30 Rhode Island Infrastructure Bank	\$3,682.4		\$0.0			\$3,682.4
31 Subtotal	\$5,489.2	\$0.0	\$638.1	\$0.0	\$638.1	\$5,489.2
32 Total	\$81,945.7	\$0.0	\$638.1	\$2,554.0	\$74,540.6	\$79,391.7

Notes:

- (1) Eligible PIM budget equals total budget minus commitments, ineligible regulatory costs, pilots, assessments, and performance incentive.
- (2) Program implementation expenses equal total budget minus commitments and performance incentive.

Table E-4
Rhode Island Energy
Proposed 2025 Budget Compared to Approved 2024 Budget (\$000)

	(a)	(b)	(c)
	Proposed Program Implementation Expenses 2025	Approved Program Implementation Expenses 2024	Difference
1 Residential			
2 Residential New Construction	\$1,548.8	\$1,312.7	\$236.0
3 Residential HVAC	\$6,315.1	\$6,570.7	-\$255.5
4 EnergyWise Single Family	\$11,849.2	\$16,277.7	-\$4,428.5
5 EnergyWise Multifamily	\$944.2	\$1,291.9	-\$347.7
6 Home Energy Reports	\$2,307.7	\$2,123.3	\$184.5
7 Residential Consumer Products	\$2,136.2	\$1,987.4	\$148.8
8 Comprehensive Marketing - Residential	\$334.5	\$326.5	\$7.9
9 Community Based Initiatives - Residential	\$143.6	\$139.4	\$4.2
10 Residential Pilots	\$0.0	\$0.0	\$0.0
11 Subtotal	\$25,579.3	\$30,029.6	-\$4,450.2
12 Income Eligible Residential			
13 Income Eligible Single Family	\$12,164.1	\$12,237.4	-\$73.3
14 Income Eligible Multifamily	\$2,269.0	\$3,784.2	-\$1,515.1
15 Subtotal	\$14,433.1	\$16,021.6	-\$1,588.5
16 Commercial & Industrial			
17 Large C&I New Construction	\$6,664.9	\$9,227.2	-\$2,562.3
18 Large C&I Retrofit	\$19,805.0	\$22,797.9	-\$2,992.9
19 Small Business Direct Install	\$7,409.0	\$8,199.9	-\$791.0
20 C&I Financing	\$0.0	\$0.0	\$0.0
21 Community Based Initiatives - C&I	\$11.3	\$57.9	-\$46.6
22 Commercial Pilots	\$0.0	\$0.0	\$0.0
23 Subtotal	\$33,890.1	\$40,357.8	-\$6,467.7
24 Portfolio			
25 EERMC	\$638.1	\$645.1	-\$7.0
26 OER	\$1,168.7	\$1,387.7	-\$219.0
27 Rhode Island Infrastructure Bank	\$3,682.4	\$3,737.5	-\$55.1
28 Subtotal	\$5,489.2	\$5,770.3	-\$281.2
29 Total Program Implementation Expenses	\$79,391.7	\$92,179.3	-\$12,787.5
30 Other Expenses			
31 Commitments	\$0.0	\$0.0	\$0.0
32 Company Incentive	\$2,554.0	\$3,075.1	-\$521.1
33 Subtotal	\$2,554.0	\$3,075.1	-\$521.1
34 Total	\$81,945.7	\$95,254.3	-\$13,308.6

**Table E-5 Primary
Rhode Island Energy
Calculation of 2025 Program Year Cost-Effectiveness (\$000)**

	(a)	(b)	(c)	(d)	(e)	(f)
	RI Test Benefit / Cost	Total Benefit	Program Implementation Expenses	Participant Cost	Performance Incentive	¢ / Lifetime kWh
Residential						
Residential New Construction	3.14	\$5,157.9	\$1,548.8	\$96.3		¢12.3
Residential HVAC	2.46	\$23,709.3	\$6,315.1	\$3,330.2		¢9.5
EnergyWise Single Family	1.90	\$25,473.4	\$11,849.2	\$1,566.9		¢80.7
EnergyWise Multifamily	1.33	\$1,336.6	\$944.2	\$63.5		¢18.7
Home Energy Reports	2.30	\$5,301.1	\$2,307.7	\$0.0		¢10.5
Residential Consumer Products	2.01	\$4,894.5	\$2,136.2	\$297.0		¢15.1
Comprehensive Marketing - Residential			\$334.5			
Community Based Initiatives - Residential			\$143.6			
Residential Pilots			\$0.0			
Subtotal	2.09	\$65,872.8	\$25,579.3	\$5,353.8	\$521.6	¢18.0
Income Eligible Residential						
Income Eligible Single Family	1.71	\$20,805.8	\$12,164.1	\$0.0		¢25.9
Income Eligible Multifamily	1.39	\$3,163.8	\$2,269.0	\$0.0		¢20.9
Subtotal	1.66	\$23,969.6	\$14,433.1	\$0.0	\$0.0	¢24.9
Commercial & Industrial						
Large C&I New Construction	4.45	\$36,494.6	\$6,664.9	\$1,529.9		¢5.7
Large C&I Retrofit	1.93	\$53,045.1	\$19,805.0	\$7,612.9		¢16.6
Small Business Direct Install	1.38	\$12,464.0	\$7,409.0	\$1,648.8		¢17.1
C&I Financing			\$0.0			
Community Based Initiatives - C&I			\$11.3			
Commercial Pilots			\$0.0			
Subtotal	2.18	\$102,003.7	\$33,890.1	\$10,791.6	\$2,032.3	¢12.9
Portfolio						
EERMC			\$638.1			
OER			\$1,168.7			
Rhode Island Infrastructure Bank			\$3,682.4			
Subtotal			\$5,489.2			
Total	1.96	\$191,846.1	\$79,391.7	\$16,145.4	\$2,554.0	¢16.5

Notes:

- (1) Participant costs net out costs paid by free-riders for energy efficiency measures they would have installed regardless of the Company's programs.
- (2) Column (f) = [column (c) + column (d) + column (e)] / column (b) in Table E-6A.

Table E-5A Secondary
Rhode Island Energy
Calculation of 2025 Program Year Intrastate Cost-Effectiveness (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)
	RI Test Benefit / Cost	Total Benefit	Program Implementation Expenses	Participant Cost	Performance Incentive	¢ / Lifetime kWh
Residential						
Residential New Construction	2.94	\$4,836.0	\$1,548.8	\$96.3		¢12.3
Residential HVAC	2.12	\$20,473.2	\$6,315.1	\$3,330.2		¢9.5
EnergyWise Single Family	1.85	\$24,769.3	\$11,849.2	\$1,566.9		¢80.7
EnergyWise Multifamily	1.16	\$1,172.9	\$944.2	\$63.5		¢18.7
Home Energy Reports	1.72	\$3,971.2	\$2,307.7	\$0.0		¢10.5
Residential Consumer Products	1.61	\$3,925.5	\$2,136.2	\$297.0		¢15.1
Comprehensive Marketing - Residential			\$334.5			
Community Based Initiatives - Residential			\$143.6			
Residential Pilots			\$0.0			
Subtotal	1.88	\$59,148.2	\$25,579.3	\$5,353.8	\$521.6	¢18.0
Income Eligible Residential						
Income Eligible Single Family	1.57	\$19,043.8	\$12,164.1	\$0.0		¢25.9
Income Eligible Multifamily	1.26	\$2,863.5	\$2,269.0	\$0.0		¢20.9
Subtotal	1.52	\$21,907.3	\$14,433.1	\$0.0	\$0.0	¢24.9
Commercial & Industrial						
Large C&I New Construction	3.83	\$31,360.7	\$6,664.9	\$1,529.9		¢5.7
Large C&I Retrofit	1.62	\$44,311.2	\$19,805.0	\$7,612.9		¢16.6
Small Business Direct Install	1.09	\$9,899.8	\$7,409.0	\$1,648.8		¢17.1
C&I Financing			\$0.0			
Community Based Initiatives - C&I			\$11.3			
Commercial Pilots			\$0.0			
Subtotal	1.83	\$85,571.7	\$33,890.1	\$10,791.6	\$2,032.3	¢12.9
Portfolio						
EERMC			\$638.1			
OER			\$1,168.7			
Rhode Island Infrastructure Bank			\$3,682.4			
Subtotal			\$5,489.2			
Total	1.70	\$166,627.3	\$79,391.7	\$16,145.4	\$2,554.0	¢16.5

Notes:

- (1) Participant costs net out costs paid by free-riders for energy efficiency measures they would have installed regardless of the Company's programs.
- (2) See Table E-5 for definition of column (f).
- (3) Rest-of-pool DRIPE is excluded from the "Total Benefit" column.

**Table E-5B Economic
Rhode Island Energy
Calculation of 2025 Economic Benefits (\$000) and Job Years**

	(a)	(b)	(c)	(d)	(e)
	Program Implementation Expenses	RI Economic Multiplier	Economic Benefits	RI Job Years Multiplier	Job Years
Residential					
Residential New Construction	\$1,548.8	1.66	\$2,570.9	14.8	23
Residential HVAC	\$6,315.1	1.45	\$9,157.0	12.2	77
EnergyWise Single Family	\$11,849.2	1.17	\$13,863.5	12.3	146
EnergyWise Multifamily	\$944.2	1.97	\$1,860.1	14.8	14
Home Energy Reports	\$2,307.7	2.17	\$5,007.8	13.6	31
Residential Consumer Products	\$2,136.2	1.76	\$3,759.7	8.5	18
Comprehensive Marketing - Residential	\$334.5				
Community Based Initiatives - Residential	\$143.6				
Residential Pilots	\$0.0				
Subtotal	\$25,579.3		\$36,219.1		309
Income Eligible Residential					
Income Eligible Single Family	\$12,164.1	1.67	\$20,314.0	10.9	133
Income Eligible Multifamily	\$2,269.0	2.37	\$5,377.6	13.4	30
Subtotal	\$14,433.1		\$25,691.6		163
Commercial & Industrial					
Large C&I New Construction	\$6,664.9	4.76	\$31,724.8	19	127
Large C&I Retrofit	\$19,805.0	2.06	\$40,798.2	51.4	1,018
Small Business Direct Install	\$7,409.0	1.97	\$14,595.7	12.3	91
C&I Financing	\$0.0				
Community Based Initiatives - C&I	\$11.3				
Commercial Pilots	\$0.0				
Subtotal	\$33,890.1		\$87,118.7		1,236
Portfolio					
EERMC	\$638.1				
OER	\$1,168.7				
Rhode Island Infrastructure Bank	\$3,682.4				
Subtotal	\$5,489.2				
Total	\$79,391.7		\$149,029.5		1,708

Notes:

(1) Column (e) = column (a) x column (d) / 1000.

Table E-6
Rhode Island Energy
Summary of 2025 Energy Efficiency Benefits by Program

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	
Total		Total (Economic Excluded)	Summer		Winter		Electric Energy	Summer	Winter	Capacity	Benefits (000s)			Non Electric	Natural Gas	Natural Gas	Oil	Oil	DRUPE	Other Resource	Non Resource	CHIP Economic	Economic
			Peak	Off Peak	Peak	Off Peak	DRUPE	Generation	Generation	DRUPE	Transmission	Distribution	Reliability		DRUPE	DRUPE		DRUPE					
1	Residential																						
	Residential New Construction	\$7,729	\$5,158	\$147	\$113	\$323	\$413	\$336	\$8	\$38	\$4	\$56	\$42	\$0	\$0	\$853	\$4	\$1,320	\$30	\$1,472	\$0	\$2,571	
	Residential HVAC	\$32,866	\$21,709	\$236	\$209	\$3,408	\$4,452	\$3,387	\$111	\$496	\$65	\$815	\$554	\$1	\$0	\$1,284	\$7	\$31	\$1,082	\$6,678	\$0	\$9,157	
	EnergyWise Single Family	\$39,337	\$25,473	\$251	\$221	\$305	\$375	\$576	\$228	\$51	\$134	\$507	\$1,222	\$1	\$0	\$9,577	\$47	\$2,833	\$2,087	\$6,418	\$0	\$13,864	
	EnergyWise Multifamily	\$3,197	\$1,337	\$63	\$54	\$137	\$154	\$166	\$14	\$13	\$9	\$47	\$77	\$0	\$0	\$52	\$0	\$42	\$207	\$331	\$0	\$1,860	
	Home Energy Reports	\$10,309	\$5,301	\$188	\$188	\$712	\$709	\$1,095	\$0	\$0	\$331	\$266	\$431	\$36	\$0	\$0	\$0	\$0	\$0	\$1,314	\$0	\$3,088	
	Residential Consumer Products	\$8,654	\$4,084	\$249	\$236	\$378	\$362	\$887	\$166	\$8	\$195	\$434	\$669	\$1	\$0	\$25	\$0	\$79	\$9	\$1,217	\$0	\$3,760	
	Subtotal	\$102,092	\$65,873	\$1,133	\$1,026	\$5,442	\$6,485	\$6,447	\$527	\$685	\$698	\$2,225	\$2,995	\$40	\$0	\$9	\$11,712	\$57	\$4,288	\$4,815	\$17,377	\$0	\$36,219
9	Income Eligible Residential																						
	Income Eligible Single Family	\$41,120	\$20,806	\$355	\$365	\$1,369	\$1,622	\$1,622	\$435	\$270	\$247	\$1,281	\$2,042	\$2	\$42	\$14	\$1,654	\$8	\$624	\$4,993	\$3,859	\$0	\$20,314
	Income Eligible Multifamily	\$8,541	\$3,164	\$75	\$54	\$359	\$371	\$318	\$5	\$320	\$3	\$338	\$27	\$0	\$0	\$0	\$31	\$0	\$13	\$606	\$644	\$0	\$5,378
	Subtotal	\$49,661	\$23,970	\$430	\$419	\$1,729	\$1,993	\$1,940	\$440	\$590	\$250	\$1,619	\$2,069	\$2	\$42	\$14	\$1,684	\$8	\$637	\$5,600	\$4,503	\$0	\$25,692
13	Commercial & Industrial																						
	Large C&I New Construction	\$68,219	\$36,495	\$2,907	\$1,679	\$4,010	\$2,541	\$4,967	\$555	\$264	\$313	\$1,353	\$2,485	\$3	\$978	\$221	\$0	\$0	\$93	\$3,460	\$10,865	\$0	\$31,723
	Large C&I Retrofit	\$93,843	\$53,045	\$2,426	\$1,814	\$5,238	\$3,889	\$8,740	\$1,251	\$126	\$747	\$3,571	\$5,351	\$7	\$130	\$115	\$10	\$0	\$8,294	\$11,727	\$0	\$40,798	
	Small Business Direct Install	\$27,060	\$12,464	\$685	\$420	\$2,024	\$1,280	\$2,454	\$202	\$31	\$109	\$817	\$781	\$1	\$37	\$18	\$219	\$1	\$0	\$461	\$3,564	\$0	\$14,986
	Subtotal	\$189,122	\$102,004	\$5,617	\$3,913	\$11,291	\$7,710	\$16,363	\$2,487	\$421	\$1,179	\$5,641	\$8,628	\$11	\$812	\$89	\$229	\$1	\$93	\$12,215	\$26,156	\$0	\$87,119
18	Total	\$340,876	\$191,846	\$7,180	\$5,358	\$18,462	\$16,188	\$24,748	\$2,874	\$1,615	\$2,118	\$9,474	\$13,693	\$53	\$854	\$183	\$13,146	\$64	\$5,018	\$22,629	\$48,036	\$0	\$149,029

Notes:
(1) The "CHIP Economic" column is a subset of the "Economic" column.

Table E-6A
Rhode Island Energy
Summary of 2025 Energy Efficiency Impacts by Program

	(a)		(b)		(c)		(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(l)		(m)		(n)		(o)		(p)		(q)		(r)		(s)	
	Electric Energy Savings										Load Reduction (kW)				Gas Savings				Oil Saved				Propane Saved				Total Savings											
	MMWh	Lifetime	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	Summer	Winter	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime	MMBtu	CO2 (Short Tons)	Annual	Lifetime		
1	Residential																																					
2	Residential New Construction	621	13,373	2,117	45,629	295		18	53	0	0	0	0	1,744	37,007	124	1,095	26,017	91	4,956	109,553																	510
3	Residential HVAC	5,954	101,466	20,315	346,203	2,678		265	1,432	0	0	0	0	4,572	50,377	303	14	245	1	24,901	396,825																2,982	
4	EnergyWise Single Family	1,315	16,625	4,486	56,725	680		551	182	0	0	0	0	21,547	414,470	1,694	2,569	48,769	199	28,602	519,964																2,573	
5	EnergyWise Multifamily	347	5,396	1,184	18,410	185		38	40	0	0	0	0	45	977	4	0	0	0	1,230	19,387																140	
6	Home Energy Reports	22,063	22,063	75,278	75,278	8,958		3,144	4,909	0	0	0	0	0	0	0	0	0	75,278	75,278																	8,958	
7	Residential Consumer Products	2,737	16,167	9,139	55,162	1,852		732	250	0	0	0	0	64	1,072	4	35	523	2	9,418	56,757																1,859	
8	Subtotal	30,036	175,009	112,720	897,408	14,647		4,748	6,866	0	0	0	0	27,072	584,803	2,130	3,714	75,554	250	144,406	1,177,768																17,070	
9	Income Eligible Residential																																					
10	Income Eligible Single Family	3,060	47,006	10,441	160,384	1,242		1,002	709	547	7,661	32	3,677	71,868	241	305	5,826	21	14,970	245,739																	1,536	
11	Income Eligible Multifamily	638	10,870	2,176	27,090	259		22	569	0	0	62	1,360	4	0	0	0	0	2,238	28,450																	263	
12	Subtotal	3,698	57,876	12,617	197,474	1,501		1,024	1,279	547	7,661	32	3,739	73,228	245	305	5,826	21	17,208	284,189																	1,799	
13	Commercial & Industrial																																					
14	Large C&I New Construction	9,524	144,853	31,813	494,240	4,458		1,265	1,636			8,512	173,348	671	0	0	0	0	40,325	667,588																	5,129	
15	Large C&I Retrofit	29,221	164,818	99,701	562,261	17,215		7,883	6,301	-11,243	-7,254	-868	-118	-354	-12	0	0	0	80,340	554,753																	16,333	
16	Small Business Direct Install	7,642	53,095	26,075	181,161	3,768		830	638	-1,167	-3,853	-83	-2,281	-7,528	-181	0	0	0	22,627	169,781																	3,504	
17	Subtotal	46,187	362,767	157,589	1,227,762	25,441		9,978	7,975	-3,898	162,242	-289	-2,399	-7,881	-193	0	0	0	151,292	1,392,122																	24,968	
18	Total	82,921	998,774	282,926	2,832,643	41,589		15,750	16,120	-3,350	169,982	-248	29,312	570,150	2,182	4,018	81,381	314	312,906	2,854,076																	43,837	

Notes:
(1) Lifetime savings are equal to annual savings multiplied by the expected life of measures expected to be installed in each program.
(2) Annual short ton CO2 savings is based on gross annual energy savings in Year 1. The 2024 AESC study was used to inform the electric emissions factor, taking the average of summer/winter on/off-peak.

Table E-4B
Rhode Island Energy
Summary of 2025 Intrastate Energy Efficiency Benefits by Program

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	
				Energy						Capacity						Non Electric						Societal	
				Summer		Winter		Electric Energy DRIPE	Summer Generation	Winter Generation	Capacity DRIPE	Transmission	Distribution	Reliability	Natural Gas	Natural Gas DRIPE	Oil	Oil DRIPE	Other Resource	Non Resource	GHG	CHIP Economic	Economic
	Total	Total (Economic Excluded)	Peak	Off Peak	Peak	Off Peak																	
1	Residential																						
2	Residential New Construction	\$7,407	\$4,836		\$147	\$113	\$323	\$413	\$22	\$8	\$38	\$0	\$56	\$42	\$0	\$0	\$853	\$0	\$1,320	\$30	\$1,472	\$0	\$2,571
3	Residential HVAC	\$29,639	\$20,473	\$249	\$209	\$3,508	\$4,452	\$215	\$111	\$496	\$6	\$815	\$554	\$1	\$0	\$0	\$1,284	\$0	\$13	\$1,082	\$6,678	\$0	\$9,157
4	EnergyWise Single Family	\$38,633	\$24,760	\$281	\$221	\$305	\$375	\$37	\$228	\$51	\$13	\$507	\$1,222	\$1	\$0	\$0	\$9,557	\$3	\$2,833	\$2,087	\$6,418	\$0	\$13,864
5	EnergyWise Multifamily	\$3,033	\$1,173	\$63	\$54	\$137	\$154	\$11	\$14	\$13	\$1	\$47	\$77	\$0	\$0	\$0	\$52	\$0	\$42	\$207	\$331	\$0	\$1,860
6	Home Energy Reports	\$8,979	\$3,971	\$188	\$188	\$712	\$709	\$69	\$0	\$0	\$27	\$266	\$431	\$36	\$0	\$0	\$0	\$0	\$0	\$0	\$1,314	\$0	\$3,008
7	Residential Consumer Products	\$7,085	\$3,926	\$249	\$256	\$378	\$382	\$57	\$166	\$8	\$32	\$434	\$669	\$1	\$0	\$0	\$25	\$0	\$79	\$19	\$1,217	\$0	\$3,760
8	Subtotal	\$95,267	\$59,148	\$1,133	\$1,826	\$5,442	\$6,485	\$412	\$527	\$685	\$63	\$2,225	\$2,995	\$40	\$0	\$0	\$11,712	\$3	\$4,288	\$4,815	\$17,377	\$0	\$36,219
9	Income Eligible Residential																						
10	Income Eligible Single Family	\$39,358	\$19,044	\$355	\$365	\$1,369	\$1,622	\$104	\$435	\$270	\$24	\$1,281	\$2,042	\$2	\$42	\$1	\$1,654	\$0	\$624	\$4,993	\$3,859	\$0	\$20,314
11	Income Eligible Multifamily	\$8,241	\$2,864	\$75	\$54	\$339	\$371	\$20	\$5	\$320	\$0	\$338	\$27	\$0	\$0	\$0	\$31	\$0	\$13	\$606	\$644	\$0	\$5,373
12	Subtotal	\$47,599	\$21,907	\$430	\$419	\$1,729	\$1,993	\$125	\$440	\$590	\$24	\$1,619	\$2,069	\$2	\$42	\$1	\$1,684	\$0	\$637	\$5,600	\$4,503	\$0	\$25,692
13	Commercial & Industrial																						
14	Large C&I New Construction	\$63,083	\$31,361	\$2,507	\$1,679	\$4,010	\$2,541	\$324	\$555	\$264	\$30	\$1,553	\$2,485	\$3	\$978	\$14	\$0	\$0	\$93	\$3,460	\$10,865	\$0	\$31,723
15	Large C&I Retrofit	\$85,109	\$44,311	\$2,426	\$1,814	\$5,238	\$3,889	\$561	\$1,251	\$126	\$92	\$3,571	\$5,351	\$7	\$139	\$15	\$310	\$0	\$0	\$8,294	\$11,727	\$0	\$40,798
16	Small Business Direct Install	\$24,496	\$9,900	\$685	\$420	\$2,024	\$1,280	\$170	\$202	\$31	\$12	\$917	\$781	\$1	\$37	\$5	\$219	\$0	\$0	\$461	\$3,964	\$0	\$14,986
17	Subtotal	\$172,690	\$85,572	\$5,617	\$3,913	\$11,291	\$7,710	\$1,055	\$2,497	\$421	\$134	\$5,641	\$8,628	\$11	\$812	\$52	\$229	\$0	\$93	\$12,215	\$26,156	\$0	\$87,119
18	Total	\$315,657	\$166,627	\$7,180	\$5,358	\$18,462	\$16,188	\$1,591	\$3,074	\$1,615	\$222	\$9,484	\$13,693	\$53	\$854	\$52	\$13,166	\$4	\$5,018	\$22,629	\$48,036	\$0	\$149,029

Notes:
(1) The "CHIP Economic" column is a subset of the "Economic" column.
(2) Rest-of-food DRIPE is excluded.

Table E-7
Rhode Island Energy
Comparison of 2025 and 2024

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Proposed 2025			Approved 2024			Difference				
	Lifetime Electric Energy Savings (MWh)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)	Total Net Lifetime Energy Savings (MMBtu)	Planned Unique Participants	Lifetime Electric Energy Savings (MWh)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)	Lifetime Electric Energy Savings (MWh)	Annual Electric Energy Savings (MWh)	Annual Passive Summer Demand Savings (kW)
1 Residential											
2 Residential New Construction	13,373	621	18	45,629	421	15,904	735	18	-2,530	-114	1
3 Residential HVAC	101,466	5,954	265	346,203	6,544	112,749	6,598	570	-11,282	-644	-305
4 EnergyWise Single Family	16,625	1,315	551	56,725	9,722	14,991	1,264	228	1,634	51	323
5 EnergyWise Multifamily	5,396	347	38	18,410	1,792	8,122	505	44	-2,727	-158	-6
6 Home Energy Reports	22,063	22,063	3,144	75,278	283,892	23,359	23,359	3,212	-1,296	-1,296	-68
7 Residential Consumer Products	16,167	2,737	732	55,162	26,987	15,323	2,815	631	844	-78	101
8 Subtotal	175,090	33,036	4,748	597,408	329,358	190,447	35,276	4,702	-15,357	-2,240	46
9 Income Eligible Residential											
10 Income Eligible Single Family	47,006	3,060	1,002	160,384	3,196	36,840	2,466	320	10,166	594	683
11 Income Eligible Multifamily	10,870	638	22	37,090	2,861	18,518	1,220	45	-7,647	-582	-23
12 Subtotal	57,876	3,698	1,024	197,474	6,057	55,358	3,686	364	2,518	12	659
13 Commercial & Industrial											
14 Large C&I New Construction	144,853	9,324	1,265	494,240	47	181,356	11,956	1,499	-36,503	-2,633	-234
15 Large C&I Retrofit	164,818	29,221	7,883	562,361	2,200	242,515	34,603	6,157	-77,697	-5,382	1,726
16 Small Business Direct Install	53,095	7,642	830	181,161	348	59,873	8,370	684	-6,778	-728	146
17 Subtotal	362,767	46,187	9,978	1,237,762	2,594	483,744	54,929	8,340	-120,977	-8,742	1,639
18 Total	595,734	82,921	15,750	2,032,643	338,009	729,550	93,891	13,406	-133,816	-10,970	2,344

Table E-8A
Rhode Island Energy
2025 PIM Benefits, Allocations, and Categorizations (\$000)

	(a)		(b)		(c)		(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(l)		(m)		(n)		(o)		(p)		(q)		(r)		(s)		(t)									
	Summer		Energy		Winter		Electric Energy		Summer		Winter		Capacity		Transmission		Distribution		Reliability		Utility NEIs		Natural Gas		Natural Gas		Non Electric		Oil		Oil		Other Resource		Non Resource		GHG		Societal									
	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	DRPE	DRPE	DRPE	DRPE	Generation	Generation	Capacity	Capacity	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE	DRPE					
1	Residential																																															
2	Residential New Construction	\$147	\$113	\$323	\$413	\$336	\$8	\$38	\$4	\$56	\$42	\$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	\$0				
3	Residential HVAC	\$236	\$205	\$3,508	\$4,452	\$3,387	\$111	\$496	\$65	\$815	\$554	\$1	\$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	\$0			
4	EnergyWise Single Family	\$251	\$221	\$385	\$375	\$576	\$228	\$51	\$134	\$587	\$1,222	\$1	\$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	\$0	\$0		
5	EnergyWise Multifamily	\$63	\$54	\$137	\$154	\$166	\$14	\$13	\$9	\$47	\$77	\$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	\$0	\$0	\$0		
6	Home Energy Reports	\$188	\$198	\$712	\$709	\$1,095	\$0	\$0	\$0	\$331	\$286	\$431	\$36	\$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	\$0		
7	Residential Consumer Products	\$249	\$236	\$378	\$382	\$587	\$166	\$0	\$155	\$434	\$669	\$1	\$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	\$0	\$0		
8	Subtotal	\$1,133	\$1,026	\$5,442	\$6,485	\$6,447	\$527	\$605	\$698	\$2,225	\$2,995	\$40	\$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	\$0	\$0		
9	Income Eligible Residential																																															
10	Income Eligible Single Family	\$355	\$365	\$1,369	\$1,622	\$1,622	\$435	\$270	\$247	\$1,281	\$2,042	\$2	\$111	\$42	\$14	\$1,654	\$8	\$624	\$4,882	\$3,859	\$20,314	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378	\$5,378		
11	Income Eligible Multifamily	\$75	\$54	\$359	\$371	\$318	\$5	\$320	\$3	\$338	\$27	\$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	\$0	\$0	\$0	\$0	
12	Subtotal	\$430	\$419	\$1,729	\$1,993	\$1,940	\$440	\$590	\$250	\$1,619	\$2,069	\$2	\$111	\$42	\$14	\$1,684	\$8	\$637	\$5,489	\$4,503	\$25,692	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756		
13	Commercial & Industrial																																															
14	Large C&I New Construction	\$2,507	\$1,679	\$4,010	\$2,541	\$4,967	\$555	\$264	\$313	\$1,553	\$2,485	\$3	\$0	\$978	\$221	\$0	\$0	\$93	\$3,460	\$10,865	\$31,725	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	\$8,294	
15	Large C&I Retrofit	\$2,426	\$1,814	\$5,258	\$3,889	\$8,740	\$1,351	\$126	\$747	\$3,571	\$5,351	\$7	\$0	\$130	\$115	\$10	\$0	\$0	\$8,294	\$11,727	\$40,798	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727	\$11,727
16	Small Business Direct Install	\$685	\$430	\$2,024	\$1,204	\$2,710	\$2,654	\$202	\$31	\$109	\$517	\$793	\$1	\$0	\$37	\$18	\$219	\$1	\$0	\$461	\$3,364	\$14,596	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364	\$3,364
17	Subtotal	\$5,617	\$3,912	\$11,291	\$7,710	\$16,361	\$2,107	\$421	\$119	\$5,641	\$8,628	\$11	\$0	\$812	\$89	\$219	\$1	\$93	\$12,215	\$26,156	\$87,219	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156	\$26,156
18	Total	\$7,180	\$5,358	\$18,462	\$16,188	\$24,748	\$3,074	\$1,615	\$2,118	\$9,484	\$13,693	\$53	\$111	\$854	\$183	\$13,166	\$64	\$5,018	\$22,518	\$48,036	\$149,029	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812	\$54,812
19	Benefit is PIM Eligible	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
20	Percent Application in PIM	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table E-8B
Rhode Island Energy
2025 PIM Costs (\$000)

	(a)	(b)	(c)
	Eligible PIM Budget	Regulatory Costs	Total PIM-Eligible Costs
1 Residential	\$25,579	\$213	\$25,792
2 Income Eligible Residential	\$14,433	\$213	\$14,646
3 Commercial & Industrial	\$33,890	\$213	\$34,103

Notes:

(1) Eligible regulatory costs allocated equally to each sector. See Table E-3 column (c) for categorization of eligible and ineligible regulatory costs.

Table E-8C
Rhode Island Energy
2025 PIM and SQA (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Performance Incentive								
	Eligible Benefits		Eligible Costs	Eligible Net Benefits	Design Performance Achievement	Design Payout Rate	Design Performance Payout	Payout Cap	Service Quality Adjustment Applied
	100% Utility System Benefits	35% Resource Benefits							
1	Residential	\$27,624	\$5,620	\$25,792	\$7,452	7.0%	\$522	\$652	FALSE
2	Income Eligible Residential	\$11,592	\$835	\$14,646	-\$2,218	25.0%	\$500	\$625	TRUE
3	Commercial & Industrial	\$62,869	\$267	\$34,103	\$29,033	7.0%	\$2,032	\$2,540	FALSE

	Service Quality Adjustment (SQA)				
	Eligible Benefits		Eligible Costs	Design Service Achievement	Maximum SQA
	100% Utility System Benefits	50% Resource Benefits			
4	Residential	\$27,624	\$5,620	\$33,244	\$0
5	Income Eligible Residential	\$11,592	\$835	\$12,427	\$481
6	Commercial & Industrial	\$62,869	\$267	\$63,136	\$0

Table E-9
Rhode Island Energy
2025 Revolving Loan Fund Projections

	(a) Large C&I Revolving Loan Fund	(b) Small Business Revolving Loan Fund	(c) Public Sector Revolving Loan Fund	(d) Efficient Buildings Fund
(1) Total Loan Fund Deposits Through Previous Year	\$22,547,780	\$3,303,570	\$0	
(2) Current Loan Fund Balance	\$11,069,854	\$2,832,613	\$0	
<i>Loans Paid Year-To-Date</i>	\$1,509,722	\$548,513	\$0	
<i>Repayments Year-To-Date</i>	\$3,060,173	\$504,756	\$0	
(3) Projected Additional Loans from Previous Year	\$1,624,736	\$287,001	\$0	
(4) Projected Additional Repayments from Previous Year	\$3,018,412	\$381,041	\$0	
(5) Projected Year End Loan Fund Balance from Previous Year	\$12,463,530	\$2,926,653	\$0	
(6) 2025 Fund Injection	\$0	\$0	\$0	
(7) Projected Loan Fund Balance Beginning of Year	\$12,463,530	\$2,926,653	\$0	
(8) Projected Repayments Throughout 2025	\$6,036,823	\$913,791	\$0	
(9) Estimated Loans in 2025	\$2,700,000	\$700,000	\$0	
(10) Projected Year End Loan Fund Balance 2025	\$15,800,353	\$3,140,444	\$0	
(11) Energy Efficiency Funds Allocated to EBF Through Previous Year				\$22,087,113
(12) Total EBF Loans Outstanding				\$55,075,045

Notes:

- (1) Funding injections since loan funds began. Net of any adjustments.
- (2) Current Loan Fund Balance is through June 2024; it includes all loans and repayments made by June 2024. Public Sector Revolving Loan Fund reduced by transfers to RI PEP Incentives. EBF reports in terms of loans outstanding.
- (3) Projected Loans from July to Year-End 2024 is estimated based on projects currently under construction that are anticipated to be paid out by year-end. It is difficult to project this amount accurately due to the fact that projects could be delayed by a month or two resulting in payment occurring in 2025 instead of 2024.
- (4) Projected Repayments from July to Year-End 2024 is estimated based on average repayments over previous 12 months; repayments accumulate over time and may vary widely.
- (5) Equal to (2) - (3) + (4).
- (6) Fund injections for the Large C&I Revolving Loan Fund are included under the Finance Cost line in Table E-2.
- (7) Equal to (5) + (6).
- (8) Assumption based on average over previous 12 months; repayments accumulate over time and may vary widely.
- (9) Amount projected to be lent to customers in 2025.
- (10) Equal to (7) + (8) - (9).
- (11) The 2025 Annual Plan only includes two values for Efficient Buildings Fund (EBF): 1) The Energy Efficiency Funds allocated to EBF through 2021. 2) Total EBF Loans Outstanding as of July 2022. Additional information is not available because RIIB has informed the Company that, commencing with the 2022 Plan, it will not be providing forward looking projections to the Company regarding EBF. The Company is therefore unable to provide any future projections regarding EBF.

Table E-10
Rhode Island Energy
Rhode Island Energy Efficiency 2007-2025

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Electric	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Energy Efficiency Budget (\$ Million)	\$22.5	\$21.0	\$32.4	\$37.6	\$59.2	\$61.4	\$77.5	\$87.0	\$86.6	\$87.5	\$94.6	\$94.6	\$107.5	\$111.1	\$116.8	\$108.7	\$102.4	\$95.3	\$81.9
2 Spending Budget (\$ Million)	\$16.4	\$14.7	\$23.5	\$28.8	\$45.3	\$55.3	\$64.8	\$80.6	\$77.3	\$77.6	\$88.5	\$88.7	\$98.1	\$101.1	\$104.8	\$93.0	\$84.5	\$87.0	\$74.5
3 Actual Expenditures (\$ Million)	\$21.9	\$19.2	\$31.7	\$29.7	\$40.0	\$50.7	\$72.9	\$85.3	\$87.4	\$78.4	\$94.8	\$93.0	\$100.7	\$88.2	\$94.6	\$80.9			
4 Incentive Percentage	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%				
5 Target Incentive	\$725,000	\$647,689	\$1,035,943	\$1,267,043	\$1,992,513	\$2,434,131	\$3,240,747	\$4,032,000	\$3,867,400	\$3,878,087	\$4,425,528	\$4,436,022	\$4,905,009	\$5,054,448	\$5,500,000	\$3,390,165	\$3,359,161	\$3,075,068	\$2,553,974
6 Earned Incentive	\$716,075	\$675,282	\$1,085,888	\$1,333,996	\$1,929,273	\$2,469,411	\$2,997,681	\$4,223,321	\$4,533,360	\$4,128,034	\$4,829,847	\$4,940,402	\$3,290,237	\$3,242,675	\$3,464,590	\$3,048,341	\$2,430,314		
7 Per Achieved Annual Summer Demand kW Savings	106%	113%	142%	78%	71%	83%	114%	78%	112%	101%	103%	116%	98%	79%	83%	85%	82%		
8 Per Achieved Annual MWh Energy Savings	102%	111%	115%	107%	94%	93%	99%	105%	115%	107%	115%	110%	98%	88%	95%	94%	97%		
9 Energy Efficiency Program Charge (\$/kWh)	\$0.0020	\$0.0020	\$0.0032	\$0.0032	\$0.0053	\$0.0059	\$0.0088	\$0.0091	\$0.0095	\$0.0108	\$0.0112	\$0.0097	\$0.0112	\$0.0132	\$0.0111	\$0.0121	\$0.0096	\$0.0114	\$0.0092
10 Annual Cost to 500 kWh/Month Residential Customer w/o Tax	\$12.00	\$12.00	\$19.20	\$19.20	\$31.56	\$35.52	\$52.56	\$54.66	\$57.18	\$64.62	\$67.44	\$58.32	\$67.26	\$79.38	\$66.78	\$72.78	\$57.60	\$68.34	\$55.02
11 Annual Cost to 500 kWh/Month Residential Customer w/ Tax (1)	\$12.50	\$12.50	\$20.00	\$20.00	\$32.88	\$37.00	\$54.75	\$56.94	\$59.56	\$67.31	\$70.25	\$60.75	\$70.06	\$82.69	\$69.56	\$75.81	\$60.00	\$71.19	\$57.31

Notes:
(1) Assumes Tax Rate of 4%.

Table E-11
Rhode Island Energy
2025 Bill Impacts

		(a)	(b)	(c)	(d)
		Rate Impact from Change in Energy Efficiency Charge	% Change in Energy Efficiency Charge from Previous Year	Long-Term Bill Impacts	
				Participants	Shared w/ All Customers
1	Residential	-1.0%	-19.5%	-1.12%	0.25%
2	Income Eligible Residential	-1.0%	-19.5%	-8.69%	-0.45%
3	Commercial & Industrial	-1.2%	-19.5%	-2.76%	0.24%
4	Portfolio	-1.1%	-19.5%	-2.30%	0.23%

Notes:

- (1) Negative percentage values indicate charge reductions and bill savings.
- (2) The cost of supply view used to represent bill savings is intrastate w/o delivered fuels.
- (3) In the context of this table, previous year is 2024

Table E-12
Rhode Island Energy
2025 Cost of Supply Compared to Cost of Energy Efficiency (\$000)

	(a)	(b)	(c)	(d)
	Total	Intrastate w/ Delivered Fuels and w/ Participant Costs	Intrastate w/o Delivered Fuels and w/ Participant Costs	Intrastate w/o Delivered Fuels and w/o Participant Costs
1 Residential				
2 Residential New Construction	\$3,298.9	\$2,977.0	\$71.6	\$167.9
3 Residential HVAC	\$11,358.7	\$8,122.6	\$6,259.2	\$9,589.3
4 EnergyWise Single Family	\$7,835.0	\$7,130.9	-\$10,372.3	-\$8,805.4
5 EnergyWise Multifamily	-\$28.8	-\$192.4	-\$225.7	-\$162.2
6 Home Energy Reports	\$2,728.9	\$1,399.0	\$1,399.0	\$1,399.0
7 Residential Consumer Products	\$2,156.9	\$1,188.0	\$1,115.6	\$1,412.5
8 Subtotal	\$27,349.7	\$20,625.1	-\$1,752.7	\$3,601.1
9 Income Eligible Residential				
10 Income Eligible Single Family	\$2,531.2	\$769.2	-\$2,091.2	-\$2,091.2
11 Income Eligible Multifamily	\$106.0	-\$194.3	-\$240.5	-\$240.5
12 Subtotal	\$2,637.2	\$574.9	-\$2,331.7	-\$2,331.7
13 Commercial & Industrial				
14 Large C&I New Construction	\$23,845.9	\$18,712.0	\$18,712.0	\$20,241.9
15 Large C&I Retrofit	\$14,657.6	\$5,923.8	\$5,939.5	\$13,552.4
16 Small Business Direct Install	\$1,944.5	-\$619.6	-\$292.3	\$1,356.5
17 Subtotal	\$40,448.0	\$24,016.1	\$24,359.2	\$35,150.7
18 Total	\$70,434.9	\$45,216.1	\$20,274.7	\$36,420.2

Notes:

- (1) The "Total" view in column (a) includes all cost of supply benefits shown on Table E-6 excluding water "other resource" benefits and non-utility "non-resource" benefits.
- (2) The "Total" view in column (a) includes all costs of energy efficiency shown on Table E-5 (program implementation expenses, participant costs, and the shareholder incentive).
- (3) Columns (a), (b), (c), and (d) show the cost of supply minus the cost of energy efficiency for the specified scenario.

Table G-1
Rhode Island Energy
2025 DSM Funding Sources by Sector (\$000)

	(a) Residential	(b) Income Eligible Residential	(c) Commercial & Industrial	(d) Portfolio
(1) Projected Budget	\$18,269,613	\$8,182,587	\$8,597,212	\$35,049,411
Sources of Other Funding	\$0	\$0	\$0	\$0
(2) Projected Fund Balance and Interest from Previous Year	-\$1,406,696	\$0	\$6,762,320	\$5,355,624
(3a) Low Income Weatherization in Base Rates	\$0	\$0	\$0	\$0
(3b) Previous Year Investigation Credit	\$0	\$0	\$0	\$0
(4) Total Other Funding	-\$1,406,696	\$0	\$6,762,320	\$5,355,624
(5) Customer Funding Required	\$19,676,309	\$8,182,587	\$1,834,892	\$29,693,787
(6) Forecasted Firm Dth Volume	17,981,675	1,830,274	19,335,609	39,147,558
(7) Forecasted Non-Firm Dth Volume			242,986	242,986
(8) Exempt DG Customers			-1,452,188	-1,452,188
(9) Forecasted Dth Volume	17,981,675	1,830,274	18,126,407	37,938,356
(10) Proposed Energy Efficiency Program Charge per Dth (Excluding Uncollectible Recovery)	\$1.096	\$1.096	\$0.440	
(11) Currently Effective Uncollectible Rate	1.91%	1.91%	1.91%	
(12) Proposed Energy Efficiency Program Charge per Dth (Including Uncollectible Recovery)	\$1.117	\$1.117	\$0.448	
(13) Previous Year's Energy Efficiency Program Charge per Dth	\$0.998	\$0.998	\$0.680	
(14) Adjustment to Reflect Fully Reconciling Funding Mechanism per Dth	\$0.119	\$0.119	-\$0.232	

Notes:

- (1) Projected Budget includes regulatory costs which are allocated by forecasted Dth volume to each sector.
(4) Total Other Funding equals Line (2) + Line (3a) + Line (3b)
(5) Customer Funding Required equals Line (1) - Line (4)
(10) 25% of Income Eligible Residential Funding Allocated to Standard Income Residential. 75% of Income Eligible Residential Funding Allocated to Commercial & Industrial.
(11) Uncollectible rate approved in Docket No. 4770.
(12) Proposed Energy Efficiency Program Charge per Dth (Including Uncollectible Recovery) equals Line (10) ÷ (1-Line (11)), truncated to five decimal places.
(14) Adjustment to Reflect Fully Reconciling Funding Mechanism per Dth equals Line (12) - Line (13)

Table G-2
Rhode Island Energy
2025 Energy Efficiency Program Budget (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Program Planning and Administration	Marketing	Rebates and Other Customer Incentives	Sales, Technical Assistance, and Training	Evaluation and Market Research	Performance Incentive	Grand Total
Residential							
Residential New Construction	\$66.4	\$2.3	\$337.9	\$204.5	\$29.5		\$640.5
Residential HVAC	\$62.8	\$219.5	\$1,864.1	\$120.9	\$82.1		\$2,349.3
EnergyWise Single Family	\$218.1	\$80.6	\$10,683.1	\$1,755.3	\$129.3		\$12,866.4
EnergyWise Multifamily	\$63.9	\$53.8	\$621.9	\$107.1	\$8.5		\$855.2
Home Energy Reports	\$3.7	\$0.0	\$0.0	\$383.0	\$2.7		\$389.3
Comprehensive Marketing - Residential	\$0.0	\$85.0	\$0.0	\$0.0	\$0.0		\$85.0
Community Based Initiatives - Residential	\$0.0	\$47.9	\$0.0	\$0.0	\$0.0		\$47.9
Residential Pilots	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Residential Performance Incentive						\$0.0	\$0.0
Subtotal	\$414.9	\$489.0	\$13,506.9	\$2,570.8	\$252.1	\$0.0	\$17,233.7
Income Eligible Residential							
Income Eligible Single Family	\$133.8	\$32.0	\$3,522.1	\$869.1	\$59.1		\$4,616.1
Income Eligible Multifamily	\$116.3	\$9.2	\$2,819.8	\$468.7	\$47.0		\$3,461.1
Income Eligible Performance Incentive						\$0.0	\$0.0
Subtotal	\$250.1	\$41.2	\$6,341.9	\$1,337.8	\$106.1	\$0.0	\$8,077.1
Commercial & Industrial							
Large C&I New Construction	\$78.4	\$119.5	\$738.1	\$366.5	\$162.3		\$1,464.8
Large C&I Retrofit	\$165.1	\$179.4	\$1,704.8	\$1,828.4	\$128.2		\$4,005.9
Small Business Direct Install	\$13.9	\$30.4	\$490.9	\$59.2	\$2.0		\$596.4
C&I Multifamily	\$29.6	\$26.6	\$629.6	\$169.4	\$6.9		\$862.2
C&I Financing	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Community Based Initiatives - C&I	\$2.9	\$16.0	\$0.0	\$0.8	\$0.0		\$19.6
Commercial Pilots	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0
Commercial & Industrial Performance Incentive						\$604.0	\$604.0
Subtotal	\$289.9	\$371.9	\$3,563.4	\$2,424.3	\$299.4	\$604.0	\$7,552.9
Portfolio							
EERMC	\$342.1	\$0.0	\$0.0	\$0.0	\$0.0		\$342.1
OER	\$526.0	\$0.0	\$0.0	\$0.0	\$0.0		\$526.0
Rhode Island Infrastructure Bank	\$0.0	\$0.0	\$1,317.6	\$0.0	\$0.0		\$1,317.6
Subtotal	\$868.1	\$0.0	\$1,317.6	\$0.0	\$0.0	\$0.0	\$2,185.7
Total	\$1,823.0	\$902.2	\$24,729.7	\$6,332.9	\$657.5	\$604.0	\$35,049.4

Notes:

- (1) For more information on finance costs, please refer to Attachment 2, Section 9.
- (2) EEC budget sourced from "2025 EEC Budget Proposal", Consultant Team Presentation, September 12, 2024.
- (3) OER budget is equal to 3% of 60% of SBC collections.
- (4) Workforce development, demonstrations, and assessments budgets are embedded in specific program level budgets listed above.

Table G-3
Rhode Island Energy
2025 PIM Budget (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)
	Proposed Budget	Commitments	Regulatory Costs	Performance Incentive	Eligible Sector PIM Budget for Performance Incentive	Program Implementation Expenses for Cost-Effectiveness
1 Residential						
2 Residential New Construction	\$640.5					\$640.5
3 Residential HVAC	\$2,349.3					\$2,349.3
4 EnergyWise Single Family	\$12,866.4					\$12,866.4
5 EnergyWise Multifamily	\$855.2					\$855.2
6 Home Energy Reports	\$389.3					\$389.3
7 Comprehensive Marketing - Residential	\$85.0					\$85.0
8 Community Based Initiatives - Residential	\$47.9					\$47.9
9 Residential Pilots	\$0.0					\$0.0
10 Residential Performance Incentive	\$0.0			\$0.0		
11 Subtotal	\$17,233.7	\$0.0	\$0.0	\$0.0	\$17,233.7	\$17,233.7
12 Income Eligible Residential						
13 Income Eligible Single Family	\$4,616.1					\$4,616.1
14 Income Eligible Multifamily	\$3,461.1					\$3,461.1
15 Income Eligible Performance Incentive	\$0.0			\$0.0		
16 Subtotal	\$8,077.1	\$0.0	\$0.0	\$0.0	\$8,077.1	\$8,077.1
17 Commercial & Industrial						
18 Large C&I New Construction	\$1,464.8					\$1,464.8
19 Large C&I Retrofit	\$4,005.9					\$4,005.9
20 Small Business Direct Install	\$596.4					\$596.4
21 C&I Multifamily	\$862.2					\$862.2
22 C&I Financing	\$0.0					\$0.0
23 Community Based Initiatives - C&I	\$19.6					\$19.6
24 Commercial Pilots	\$0.0					\$0.0
25 Commercial & Industrial Performance Incentive	\$604.0			\$604.0		
26 Subtotal	\$7,552.9	\$0.0	\$0.0	\$604.0	\$6,948.9	\$6,948.9
27 Portfolio						
28 EERMC	\$342.1		\$342.1			\$342.1
29 OER	\$526.0		\$0.0			\$526.0
30 Rhode Island Infrastructure Bank	\$1,317.6		\$0.0			\$1,317.6
31 Subtotal	\$2,185.7	\$0.0	\$342.1	\$0.0	\$342.1	\$2,185.7
32 Total	\$35,049.4	\$0.0	\$342.1	\$604.0	\$32,601.8	\$34,445.4

Notes:

- (1) Eligible PIM budget equals total budget minus commitments, ineligible regulatory costs, pilots, assessments, and performance incentive.
- (2) Implementation expenses equal total budget minus commitments and performance incentive.

Table G-4
Rhode Island Energy
Proposed 2025 Budget Compared to Approved 2024 Budget (\$000)

	(a)	(b)	(c)
	Proposed Program Implementation Expenses 2025	Approved Program Implementation Expenses 2024	Difference
1 Residential			
2 Residential New Construction	\$640.5	\$579.9	\$60.7
3 Residential HVAC	\$2,349.3	\$1,516.1	\$833.2
4 EnergyWise Single Family	\$12,866.4	\$11,084.3	\$1,782.1
5 EnergyWise Multifamily	\$855.2	\$1,439.7	-\$584.5
6 Home Energy Reports	\$389.3	\$354.9	\$34.4
7 Comprehensive Marketing - Residential	\$85.0	\$79.7	\$5.3
8 Community Based Initiatives - Residential	\$47.9	\$46.5	\$1.4
9 Residential Pilots	\$0.0	\$0.0	\$0.0
10 Subtotal	\$17,233.7	\$15,101.0	\$2,132.6
11 Income Eligible Residential			
12 Income Eligible Single Family	\$4,616.1	\$4,509.4	\$106.7
13 Income Eligible Multifamily	\$3,461.1	\$3,076.5	\$384.6
14 Subtotal	\$8,077.1	\$7,585.9	\$491.2
15 Commercial & Industrial			
16 Large C&I New Construction	\$1,464.8	\$2,236.4	-\$771.6
17 Large C&I Retrofit	\$4,005.9	\$4,476.5	-\$470.7
18 Small Business Direct Install	\$596.4	\$757.3	-\$160.9
19 C&I Multifamily	\$862.2	\$879.8	-\$17.7
20 C&I Financing	\$0.0	\$0.0	\$0.0
21 Community Based Initiatives - C&I	\$19.6	\$3.7	\$15.9
22 Commercial Pilots	\$0.0	\$0.0	\$0.0
23 Subtotal	\$6,948.9	\$8,385.9	-\$1,437.0
24 Portfolio			
25 EERMC	\$342.1	\$345.9	-\$3.8
26 OER	\$526.0	\$642.8	-\$116.8
27 Rhode Island Infrastructure Bank	\$1,317.6	\$1,262.5	\$55.1
28 Subtotal	\$2,185.7	\$2,251.2	-\$65.5
29 Total Program Implementation Expenses	\$34,445.4	\$33,324.0	\$1,121.3
30 Other Expenses			
31 Commitments	\$0.0	\$0.0	\$0.0
32 Company Incentive	\$604.0	\$758.7	-\$154.6
33 Subtotal	\$604.0	\$758.7	-\$154.6
34 Total	\$35,049.4	\$34,082.7	\$966.7

**Table G-5 Primary
Rhode Island Energy
Calculation of 2025 Program Year Cost-Effectiveness (\$000)**

	(a)	(b)	(c)	(d)	(e)	(f)
	RI Test Benefit / Cost	Total Benefit	Program Implementation Expenses	Participant Cost	Performance Incentive	\$ / Lifetime MMBtu
1 Residential						
2 Residential New Construction	2.00	\$1,963.5	\$640.5	\$343.1		\$13.59
3 Residential HVAC	1.49	\$8,873.3	\$2,349.3	\$3,590.8		\$15.58
4 EnergyWise Single Family	1.25	\$17,109.2	\$12,866.4	\$848.3		\$21.47
5 EnergyWise Multifamily	1.94	\$1,558.9	\$855.2	-\$53.5		\$10.67
6 Home Energy Reports	4.89	\$1,903.5	\$389.3	\$0.0		\$5.04
7 Comprehensive Marketing - Residential			\$85.0			
8 Community Based Initiatives - Residential			\$47.9			
9 Residential Pilots			\$0.0			
10 Subtotal	1.43	\$31,408.5	\$17,233.7	\$4,728.7	\$0.0	\$17.64
11 Income Eligible Residential						
12 Income Eligible Single Family	1.68	\$7,751.1	\$4,616.1	\$0.0		\$38.05
13 Income Eligible Multifamily	1.76	\$6,087.1	\$3,461.1	\$0.0		\$17.13
14 Subtotal	1.71	\$13,838.2	\$8,077.1	\$0.0	\$0.0	\$24.98
15 Commercial & Industrial						
16 Large C&I New Construction	7.56	\$13,914.2	\$1,464.8	\$376.7		\$3.26
17 Large C&I Retrofit	2.41	\$13,628.3	\$4,005.9	\$1,641.5		\$8.98
18 Small Business Direct Install	3.77	\$2,557.6	\$596.4	\$82.0		\$5.82
19 C&I Multifamily	1.09	\$1,313.8	\$862.2	\$339.8		\$19.24
20 C&I Financing			\$0.0			
21 Community Based Initiatives - C&I			\$19.6			
22 Commercial Pilots			\$0.0			
23 Subtotal	3.14	\$31,413.9	\$6,948.9	\$2,440.0	\$604.0	\$7.28
24 Portfolio						
25 EERMC			\$342.1			
26 OER			\$526.0			
27 Rhode Island Infrastructure Bank			\$1,317.6			
28 Subtotal			\$2,185.7			
29 Total	1.82	\$76,660.5	\$34,445.4	\$7,168.7	\$604.0	\$14.35

Notes:

- (1) Participant costs net out costs paid by free-riders for energy efficiency measures they would have installed regardless of the Company's programs. Specifically for the EnergyWise Multifamily program, incentives are set to attract participants, even at the risk of attracting free riders.
- (2) Column (f) = [column (c) + column (d) + column (e)] / column (b) in Table G-6A.

Table G-5A Secondary
Rhode Island Energy
Calculation of 2025 Program Year Intrastate Cost-Effectiveness (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)
	RI Test Benefit / Cost	Total Benefit	Program Implementation Expenses	Participant Cost	Performance Incentive	\$ / Lifetime MMBtu
1 Residential						
2 Residential New Construction	1.82	\$1,790.8	\$640.5	\$343.1		\$13.59
3 Residential HVAC	1.32	\$7,835.4	\$2,349.3	\$3,590.8		\$15.58
4 EnergyWise Single Family	1.11	\$15,273.3	\$12,866.4	\$848.3		\$21.47
5 EnergyWise Multifamily	1.71	\$1,373.0	\$855.2	-\$53.5		\$10.67
6 Home Energy Reports	3.83	\$1,490.8	\$389.3	\$0.0		\$5.04
7 Comprehensive Marketing - Residential			\$85.0			
8 Community Based Initiatives - Residential			\$47.9			
9 Residential Pilots			\$0.0			
10 Subtotal	1.26	\$27,763.3	\$17,233.7	\$4,728.7	\$0.0	\$17.64
11 Income Eligible Residential						
12 Income Eligible Single Family	1.60	\$7,405.9	\$4,616.1	\$0.0		\$38.05
13 Income Eligible Multifamily	1.56	\$5,382.2	\$3,461.1	\$0.0		\$17.13
14 Subtotal	1.58	\$12,788.1	\$8,077.1	\$0.0	\$0.0	\$24.98
15 Commercial & Industrial						
16 Large C&I New Construction	7.04	\$12,969.4	\$1,464.8	\$376.7		\$3.26
17 Large C&I Retrofit	2.17	\$12,241.9	\$4,005.9	\$1,641.5		\$8.98
18 Small Business Direct Install	3.47	\$2,355.1	\$596.4	\$82.0		\$5.82
19 C&I Multifamily	1.01	\$1,219.7	\$862.2	\$339.8		\$19.24
20 C&I Financing			\$0.0			
21 Community Based Initiatives - C&I			\$19.6			
22 Commercial Pilots			\$0.0			
23 Subtotal	2.88	\$28,786.1	\$6,948.9	\$2,440.0	\$604.0	\$7.28
24 Portfolio						
25 EERMC			\$342.1			
26 OER			\$526.0			
27 Rhode Island Infrastructure Bank			\$1,317.6			
28 Subtotal			\$2,185.7			
29 Total	1.64	\$69,337.5	\$34,445.4	\$7,168.7	\$604.0	\$14.35

Notes:

- (1) Participant costs net out costs paid by free-riders for energy efficiency measures they would have installed regardless of the Company's programs.
- (2) See Table G-5 for definition of column (f).
- (3) Rest-of-pool DRIPE is excluded from the "Total Benefit" column.

**Table G-5B Economic
Rhode Island Energy
Calculation of 2025 Economic Benefits (\$000) and Job Years**

	(a)	(b)	(c)	(d)	(e)
	Program Implementation Expenses	RI Economic Multiplier	Economic Benefits	RI Job Years Multiplier	Job Years
1 Residential					
2 Residential New Construction	\$640.5	1.19	\$762.2	2.4	2
3 Residential HVAC	\$2,349.3	1.06	\$2,490.3	6.9	16
4 EnergyWise Single Family	\$12,866.4	0.87	\$11,193.8	11.9	153
5 EnergyWise Multifamily	\$855.2	2.30	\$1,966.9	16.5	14
6 Home Energy Reports	\$389.3	2.77	\$1,078.5	7.5	3
7 Comprehensive Marketing - Residential	\$85.0				
8 Community Based Initiatives - Residential	\$47.9				
9 Residential Pilots	\$0.0				
10 Subtotal	\$17,233.7		\$17,491.7		188
11 Income Eligible Residential					
12 Income Eligible Single Family	\$4,616.1	1.53	\$7,062.6	12.1	56
13 Income Eligible Multifamily	\$3,461.1	2.31	\$7,995.1	16.0	55
14 Subtotal	\$8,077.1		\$15,057.7		111
15 Commercial & Industrial					
16 Large C&I New Construction	\$1,464.8	5.28	\$7,734.0	1.2	2
17 Large C&I Retrofit	\$4,005.9	1.92	\$7,691.3	16.4	66
18 Small Business Direct Install	\$596.4	2.50	\$1,491.1	13.4	8
19 C&I Multifamily	\$862.2	3.46	\$2,983.1	11.0	9
20 C&I Financing	\$0.0				
21 Community Based Initiatives - C&I	\$19.6				
22 Commercial Pilots	\$0.0				
23 Subtotal	\$6,948.9		\$19,899.4		85
24 Portfolio					
25 EERMC	\$342.1				
26 OER	\$526.0				
27 Rhode Island Infrastructure Bank	\$1,317.6				
28 Subtotal	\$2,185.7				
29 Total	\$34,445.4		\$52,448.8		384

Notes:

(1) Column (e) = column (a) x column (d) / 1000.

Table G-6
Rhode Island Energy
Summary of 2025 Energy Efficiency Benefits by Program

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)					
	Total	Total (Economic Excluded)	Natural Gas	Natural Gas DR/PE	Electric Energy								Electric Capacity								Non Gas / Electric				Societal	
					Summer		Winter		Electric Energy DR/PE	Summer Generation	Winter Generation	Capacity DR/PE	Transmission	Distribution	Reliability	Oil	Oil DR/PE	Other Resource	Non Resource	GHG	Economic					
					Peak	Off Peak	Peak	Off Peak																		
1	Residential																									
2	Residential New Construction	\$2,726	\$1,964	\$538	\$184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$498	\$741	\$762					
3	Residential HVAC	\$11,364	\$8,873	\$2,480	\$1,108	\$1	\$1	-\$4	-\$3	-\$1	\$1	\$1	\$3	\$5	\$0	\$0	\$0	\$40	\$913	\$3,929	\$2,490					
4	EnergyWise Single Family	\$28,303	\$17,109	\$4,438	\$1,859	\$57	\$51	\$68	\$75	\$92	\$19	\$10	\$11	\$53	\$102	\$0	\$0	\$140	\$2,855	\$6,830	\$11,194					
5	EnergyWise Multifamily	\$3,526	\$1,559	\$563	\$198	\$1	\$1	\$0	\$0	\$1	\$0	\$0	\$0	\$1	\$2	\$0	\$0	\$14	\$10	\$709	\$1,967					
6	Home Energy Reports	\$2,982	\$1,904	\$645	\$440	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$819	\$1,078					
7	Subtotal	\$48,900	\$31,408	\$9,514	\$3,789	\$59	\$52	\$65	\$72	\$93	\$20	\$9	\$12	\$57	\$108	\$0	\$0	\$196	\$4,275	\$13,087	\$17,492					
8	Income Eligible Residential																									
9	Income Eligible Single Family	\$14,814	\$7,751	\$933	\$349	\$9	\$8	\$15	\$16	\$18	\$4	\$3	\$2	\$12	\$21	\$0	\$0	\$5,070	\$1,292	\$7,063						
10	Income Eligible Multifamily	\$14,082	\$6,087	\$1,691	\$748	\$5	\$4	\$1	\$1	\$4	\$2	\$0	\$1	\$5	\$11	\$0	\$0	\$28	\$1,571	\$2,106	\$7,995					
11	Subtotal	\$28,896	\$13,838	\$2,624	\$1,097	\$14	\$12	\$16	\$17	\$22	\$6	\$3	\$2	\$17	\$32	\$0	\$0	\$28	\$6,641	\$3,398	\$15,058					
12	Commercial & Industrial																									
13	Large C&I New Construction	\$21,648	\$13,914	\$3,751	\$1,024	\$0	\$0	\$0	\$0	\$19	\$5	\$11	\$48	\$83	\$0	\$0	\$0	\$76	\$3,025	\$5,873	\$7,734					
14	Large C&I Retrofit	\$21,320	\$13,628	\$4,047	\$1,579	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$262	\$6,840	\$7,691						
15	Small Business Direct Install	\$4,049	\$2,558	\$855	\$327	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$68	\$1,229	\$1,491					
16	C&I Multifamily	\$4,297	\$1,214	\$460	\$107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$83	\$647	\$2,983					
17	Subtotal	\$51,313	\$31,414	\$10,813	\$2,937	\$0	\$0	\$0	\$0	\$0	\$19	\$5	\$11	\$48	\$83	\$0	\$0	\$249	\$3,437	\$14,590	\$19,899					
18	Total	\$129,109	\$76,661	\$22,062	\$7,824	\$73	\$65	\$80	\$89	\$114	\$45	\$17	\$26	\$122	\$223	\$0	\$0	\$493	\$14,354	\$31,074	\$52,449					

Table G-6A
Rhode Island Energy
Summary of 2025 Energy Efficiency Impacts by Program

	(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)			
	Gas Savings				Electric Energy Savings						Load Reduction (kW)		Total Savings				
	MMBtu		CO2 (Short Tons)		MWh		MMBtu		CO2 (Short Tons)				MMBtu	CO2 (Short Tons)			
	Annual	Lifetime	Annual		Annual	Lifetime	Annual	Lifetime	Annual	Summer	Winter	Annual	Lifetime	Annual			
1	Residential																
2	Residential New Construction	3,285	72,402	217	0	0	0	0	0	0	0	3,285	72,402	217			
3	Residential HVAC	19,664	381,182	1,465	0	-42	0	-142	0	3	-1	19,664	381,040	1,464			
4	EnergyWise Single Family	33,179	638,879	2,236	178	3,530	608	12,043	87	43	17	33,787	650,922	2,322			
5	EnergyWise Multifamily	3,463	75,130	285	1	22	4	76	1	0	0	3,467	75,205	286			
6	Home Energy Reports	77,320	77,320	4,523	0	0	0	0	0	0	0	77,320	77,320	4,523			
7	Subtotal	136,910	1,244,913	8,726	179	3,510	612	11,976	87	46	16	137,522	1,256,889	8,813			
8	Income Eligible Residential																
9	Income Eligible Single Family	5,992	121,326	351	36	718	122	2,451	14	9	5	6,114	123,777	365			
10	Income Eligible Multifamily	13,094	202,056	766	9	162	29	554	3	5	0	13,123	202,609	769			
11	Subtotal	19,086	323,382	1,117	44	881	151	3,005	18	13	5	19,237	326,387	1,134			
12	Commercial & Industrial																
13	Large C&I New Construction	35,163	565,389	2,551	0	0	0	0	0	43	20	35,163	565,389	2,551			
14	Large C&I Retrofit	70,570	629,005	4,480	0	0	0	0	0	0	0	70,570	629,005	4,480			
15	Small Business Direct Install	9,212	116,523	653	0	0	0	0	0	0	0	9,212	116,523	653			
16	C&I Multifamily	3,876	62,484	237	0	4	1	15	0	0	0	3,877	62,500	237			
17	Subtotal	118,822	1,373,402	7,922	0	4	1	15	0	43	20	118,823	1,373,418	7,922			
18	Total	274,817	2,941,697	17,764	224	4,395	764	14,997	105	103	41	275,581	2,956,694	17,869			

Notes:

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

(2) Annual short tons CO2 savings is based on gross annual energy savings in Year 1. The 2024 AESC study was used to inform the electric emissions factor, taking the average of summer/winter on/off-peak.

Table G-6B
Rhode Island Energy
Summary of 2025 Intrastate Energy Efficiency Benefits by Program

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)		
					Electric Energy					Benefits (000%)				Electric Capacity				Non Gas / Electric				Societal	
	Total	Total (Economic Excluded)	Natural Gas DRPIE	Natural Gas	Summer		Winter		Electric Energy DRPIE	Summer Generation	Winter Generation	Capacity DRPIE	Transmission	Distribution	Reliability	Oil	Oil DRPIE	Other Resource	Non Resource	GBG	Economic		
					Peak	Off Peak	Peak	Off Peak															
1	Residential																						
2	Residential New Construction	\$2,553	\$1,791	\$538	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$498	\$741	\$762		
3	Residential HVAC	\$10,326	\$7,835	\$2,480	\$71	\$1	\$1	-\$4	-\$3	\$0	\$1	\$0	\$3	\$5	\$0	\$0	\$0	\$40	\$913	\$3,929	\$2,490		
4	EnergyWise Single Family	\$36,467	\$15,273	\$4,488	\$119	\$57	\$51	\$68	\$75	\$6	\$19	\$10	\$1	\$53	\$102	\$0	\$0	\$140	\$2,855	\$6,830	\$11,194		
5	EnergyWise Multifamily	\$3,340	\$1,373	\$563	\$13	\$1	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$0	\$0	\$0	\$14	\$10	\$709		
6	Home Energy Reports	\$2,549	\$1,491	\$645	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$819	\$1,078		
7	Subtotal	\$45,255	\$27,763	\$9,514	\$241	\$59	\$52	\$65	\$72	\$6	\$20	\$9	\$1	\$57	\$108	\$0	\$0	\$196	\$4,275	\$13,087	\$17,492		
8	Income Eligible Residential																						
9	Income Eligible Single Family	\$14,468	\$7,406	\$933	\$22	\$9	\$8	\$15	\$16	\$1	\$4	\$3	\$0	\$12	\$21	\$0	\$0	\$0	\$5,070	\$1,292	\$7,063		
10	Income Eligible Multifamily	\$13,377	\$5,382	\$1,601	\$48	\$5	\$4	\$1	\$1	\$0	\$2	\$0	\$0	\$5	\$11	\$0	\$0	\$28	\$1,571	\$2,106	\$7,995		
11	Subtotal	\$27,846	\$12,788	\$2,534	\$70	\$14	\$12	\$16	\$17	\$1	\$6	\$3	\$0	\$17	\$32	\$0	\$0	\$28	\$6,641	\$3,398	\$15,658		
12	Commercial & Industrial																						
13	Large C&I New Construction	\$20,703	\$12,969	\$3,751	\$89	\$0	\$0	\$0	\$0	\$19	\$5	\$1	\$48	\$83	\$0	\$0	\$0	\$76	\$3,025	\$5,873	\$7,734		
14	Large C&I Retrofit	\$18,933	\$12,242	\$4,047	\$193	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$262	\$6,840	\$7,691		
15	Small Business Direct Install	\$3,846	\$2,355	\$855	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$68	\$1,229	\$1,491		
16	C&I Multifamily	\$4,203	\$1,220	\$460	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$83	\$647	\$2,983		
17	Subtotal	\$46,686	\$28,786	\$10,812	\$319	\$0	\$0	\$0	\$0	\$19	\$5	\$1	\$48	\$83	\$0	\$0	\$0	\$249	\$3,437	\$14,590	\$19,899		
18	Total	\$121,786	\$69,337	\$22,062	\$630	\$73	\$65	\$80	\$89	\$7	\$45	\$17	\$2	\$122	\$223	\$0	\$0	\$493	\$14,354	\$31,074	\$52,449		

Notes:
(1) Rest-of-pool DRPIE is excluded.

Table G-7
Rhode Island Energy
Comparison of 2025 and 2024

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Proposed 2025			Approved 2024		Difference	
	Lifetime Energy Savings (MMBtu Gas)	Annual Energy Savings (MMBtu Gas)	Planned Unique Participants	Lifetime Energy Savings (MMBtu Gas)	Annual Energy Savings (MMBtu Gas)	Lifetime Energy Savings (MMBtu Gas)	Annual Energy Savings (MMBtu Gas)
1 Residential							
2 Residential New Construction	72,402	3,285	473	73,327	3,239	-925	46
3 Residential HVAC	381,182	19,664	2,983	219,298	11,329	161,884	8,334
4 EnergyWise Single Family	638,879	33,179	1,762	613,643	31,871	25,236	1,307
5 EnergyWise Multifamily	75,130	3,463	3,547	104,240	5,061	-29,110	-1,598
6 Home Energy Reports	77,320	77,320	134,129	85,663	85,663	-8,343	-8,343
7 Subtotal	1,244,913	136,910	142,893	1,096,171	137,163	148,742	-253
8 Income Eligible Residential							
9 Income Eligible Single Family	121,326	5,992	819	121,326	5,992	0	0
10 Income Eligible Multifamily	202,056	13,094	2,817	166,156	10,375	35,900	2,719
11 Subtotal	323,382	19,086	3,636	287,482	16,367	35,900	2,719
12 Commercial & Industrial							
13 Large C&I New Construction	565,389	35,163	64	657,560	44,443	-92,171	-9,280
14 Large C&I Retrofit	629,005	70,570	60	1,075,167	100,812	-446,161	-30,241
15 Small Business Direct Install	116,523	9,212	150	118,655	9,857	-2,132	-644
16 C&I Multifamily	62,484	3,876	502	65,609	4,205	-3,124	-329
17 Subtotal	1,373,402	118,822	775	1,916,991	159,317	-543,588	-40,495
18 Total	2,941,697	274,817	147,304	3,300,644	312,846	-358,946	-38,029

Table G-8A
Rhode Island Energy
2025 PIM Benefits, Allocations, and Categorizations (\$000)

	(a)	(b)	(c)	(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(l)		(m)		(n)		(o)		(p)		(q)		(r)		(s)		(t)			
				Natural Gas		Electric Energy		Electric Energy		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity		Electric Capacity			
				DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE		DRPIE	
				Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
	Natural Gas	Natural Gas	Utility NEIs	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak		
1	Residential																																						
2	Residential New Construction																																						
3	Residential HVAC																																						
4	EnergyWise Single Family																																						
5	EnergyWise Multifamily																																						
6	Home Energy Reports																																						
7	Subtotal																																						
8	Income Eligible Residential																																						
9	Income Eligible Single Family																																						
10	Income Eligible Multifamily																																						
11	Subtotal																																						
12	Commercial & Industrial																																						
13	Large C&I New Construction																																						
14	Large C&I Retrofit																																						
15	Small Business Direct Install																																						
16	C&I Multifamily																																						
17	Subtotal																																						
18	Total																																						
19	Benefit in PIM Eligible	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE		
20	Percent Application in PIM	100%	100%	100%	100%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%		

Table G-8B
Rhode Island Energy
2025 PIM Costs (\$000)

	(a)	(b)	(c)
	Eligible PIM Budget	Regulatory Costs	Total PIM-Eligible Costs
1 Residential	\$17,234	\$114	\$17,348
2 Income Eligible Residential	\$8,077	\$114	\$8,191
3 Commercial & Industrial	\$6,949	\$114	\$7,063

Notes:

(1) Eligible regulatory costs allocated equally to each sector. See Table G-3 column (c) for categorization of eligible and ineligible regulatory costs.

Table G-8C
Rhode Island Energy
2025 PIM and SQA (\$000)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
	Performance Incentive									
	Eligible Benefits		Eligible Costs	Eligible Net Benefits	Design Performance Achievement	Design Payout Rate	Design Performance Payout	Payout Cap	Service Quality Adjustment Applied	
	100% Utility System Benefits	35% Resource Benefits								
1	Residential	\$13,304	\$260	\$17,348	-\$3,784	\$2,000	25.0%	\$500	\$625	TRUE
2	Income Eligible Residential	\$3,669	\$59	\$8,191	-\$4,463	\$2,000	25.0%	\$500	\$625	TRUE
3	Commercial & Industrial	\$12,951	\$153	\$7,063	\$6,040	\$6,040	10.0%	\$604	\$755	FALSE

		Service Quality Adjustment (SQA)				
		Eligible Benefits		Eligible Costs	Design Service Achievement	Maximum SQA
		100% Utility System Benefits	50% Resource Benefits			
4	Residential	\$13,304	\$260	\$17,348	\$13,563	\$396
5	Income Eligible Residential	\$3,669	\$59	\$8,191	\$3,728	\$144
6	Commercial & Industrial	\$12,951	\$153	\$7,063	\$13,103	\$0

Table G-9
Rhode Island Energy
2025 Revolving Loan Fund Projections

	(a) Large C&I Revolving Loan Fund
(1) Total Loan Fund Deposits Through Previous Year	\$3,590,440
(2) Current Loan Fund Balance	\$2,632,436
(3) Projected Additional Loans from Previous Year	\$38,632
(4) Projected Additional Repayments from Previous Year	\$295,114
(5) Projected Year End Loan Fund Balance from Previous Year	\$2,888,918
(6) 2025 Fund Injection	\$0
(7) Projected Loan Fund Balance Beginning of Year	\$2,888,918
(8) Projected Repayments Throughout 2025	\$590,228
(9) Estimated Loans in 2025	\$293,000
(10) Projected Year End Loan Fund Balance 2025	\$3,186,145

Notes:

- (1) Funding injections since loan funds began. Net of any adjustments.
- (2) Current Loan Fund Balance is through June 2024.
- (3) Projected Loans from July to Year-End 2024 is estimated based on projects currently under construction that are anticipated to be paid out by year-end. It is difficult to project this amount accurately due to the fact that projects could be delayed by a month or two resulting in payment occurring in 2025 instead of 2024.
- (4) Projected Repayments from July to Year-End 2024 is estimated based on average repayments over previous 12 months; repayments accumulate over time and may vary widely.
- (5) Equal to (2) - (3) + (4)
- (6) Fund Injection, as budgeted on G-2
- (7) Equal to (5) + (6)
- (8) Assumption based on average over previous 12 months; repayments accumulate over time and may vary

Table G-10
Rhode Island Energy
Rhode Island Energy Efficiency 2007-2025

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Gas	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Energy Efficiency Budget (\$ Million)	\$7.3	\$7.6	\$4.8	\$7.3	\$13.7	\$19.5	\$23.5	\$24.5	\$27.7	\$29.7	\$28.1	\$31.6	\$34.3	\$35.0	\$36.9	\$36.9	\$34.1	\$35.0	
2 Spending Budget (\$ Million)	\$6.6	\$6.1	\$4.5	\$6.2	\$12.9	\$17.9	\$21.8	\$22.4	\$25.0	\$27.8	\$26.2	\$29.2	\$31.6	\$32.4	\$33.4	\$33.8	\$31.4	\$32.6	
3 Actual Expenditures (\$ Million)	\$7.4	\$6.3	\$5.5	\$4.9	\$13.3	\$19.6	\$21.5	\$21.5	\$24.6	\$29.1	\$28.8	\$29.5	\$24.6	\$35.7	\$31.4				
4 Incentive Percentage	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%				
5 Target Incentive	\$288,734	\$266,980	\$199,743	\$274,460	\$570,382	\$898,285	\$1,089,700	\$1,119,800	\$1,251,654	\$1,387,550	\$1,309,076	\$1,460,570	\$1,578,601	\$1,700,000	\$1,000,000	\$792,002	\$758,652	\$604,043	
6 Earned Incentive	\$288,734	\$262,121	\$231,310	\$239,863	\$386,036	\$968,229	\$1,362,108	\$1,387,079	\$1,496,869	\$1,633,531	\$1,541,255	\$1,580,119	\$347,732	\$303,114	\$497,038	\$397,774			
7 Per Achieved Annual Gas MMBtu Savings	109%	139%	127%	117%	99%	109%	124%	111%	106%	113%	120%	104%	71%	75%	99%	92%			
8 System Benefits Charge (\$/Therm) (All Non-Exempt Customers)	\$0.0071	\$0.0107	\$0.0150	\$0.0150	\$0.0411	\$0.0384	\$0.0417												
9 Residential System Benefits Charge (\$/Therm)							\$0.0600	\$0.0781	\$0.0748	\$0.0888	\$0.0869	\$0.0715	\$0.1011	\$0.0871	\$0.1271	\$0.1136	\$0.0998	\$0.1117	
10 C&I System Benefits Charge (\$/Therm)							\$0.0492	\$0.0637	\$0.0487	\$0.0726	\$0.0671	\$0.0420	\$0.0704	\$0.0596	\$0.0846	\$0.0620	\$0.0680	\$0.0448	
11 Annual Cost to 846 Therm/Year Residential Customer w/o Tax							\$50.76	\$66.07	\$63.28	\$75.12	\$73.52	\$60.49	\$85.53	\$73.69	\$107.53	\$96.11	\$84.43	\$94.50	
12 Annual Cost to 846 Therm/Year Residential Customer w/ Tax (1)							\$52.33	\$68.11	\$65.24	\$77.44	\$75.79	\$62.36	\$88.18	\$75.97	\$110.86	\$99.08	\$87.04	\$97.42	

Notes:

(1) Assumes Tax Rate of 3%.

Table G-11
Rhode Island Energy
2025 Bill Impacts

	(a)	(b)	(c)	(d)
	Rate Impact from Change in Energy Efficiency Charge	% Change in Energy Efficiency Charge from Previous Year	Long-Term Bill Impacts	
			Participants	Shared w/ All Customers
1 Residential	0.6%	11.9%	-0.86%	0.41%
2 Income Eligible Residential	0.6%	11.9%	-3.00%	0.39%
3 Commercial & Industrial	-1.4%	-34.1%	-1.36%	0.21%
4 Portfolio	N/A	N/A	-1.19%	0.33%

Notes:

- (1) Negative percentage values indicate charge reductions and bill savings.
- (2) The cost of supply view used to represent bill savings is intrastate w/o delivered fuels.
- (3) In the context of this table, previous year is 2024

Table G-12
Rhode Island Energy
2025 Cost of Supply Compared to Cost of Energy Efficiency (\$000)

	(a)	(b)	(c)	(d)
	Total	Intrastate w/ Delivered Fuels and w/ Participant Costs	Intrastate w/o Delivered Fuels and w/ Participant Costs	Intrastate w/o Delivered Fuels and w/o Participant Costs
Residential				
Residential New Construction	\$431.4	\$258.7	\$258.7	\$601.8
Residential HVAC	\$1,802.9	\$764.9	\$764.9	\$4,355.7
EnergyWise Single Family	-\$576.5	-\$2,412.4	-\$2,412.4	-\$1,564.1
EnergyWise Multifamily	\$668.6	\$482.7	\$482.7	\$429.2
Home Energy Reports	\$1,484.7	\$1,071.9	\$1,071.9	\$1,071.9
Subtotal	\$3,811.0	\$165.8	\$165.8	\$4,894.5
Income Eligible Residential				
Income Eligible Single Family	-\$2,210.9	-\$2,556.1	-\$2,556.1	-\$2,556.1
Income Eligible Multifamily	\$791.5	\$86.6	\$86.6	\$86.6
Subtotal	-\$1,419.4	-\$2,469.5	-\$2,469.5	-\$2,469.5
Commercial & Industrial				
Large C&I New Construction	\$8,740.4	\$7,795.6	\$7,795.6	\$8,172.3
Large C&I Retrofit	\$7,086.0	\$5,699.6	\$5,699.6	\$7,341.1
Small Business Direct Install	\$1,539.0	\$1,336.4	\$1,336.4	\$1,418.5
C&I Multifamily	-\$122.9	-\$217.1	-\$217.1	\$122.7
Subtotal	\$17,242.4	\$14,614.6	\$14,614.6	\$17,054.6
Total	\$19,633.9	\$12,310.8	\$12,310.8	\$19,479.5

Notes:

- (1) The "Total" view in column (a) includes all cost of supply benefits shown on Table G-6 excluding water "other resource" benefits and non-utility "non-resource" benefits.
- (2) The "Total" view in column (a) includes all costs of energy efficiency shown on Table G-5 (program implementation expenses, participant costs, and the shareholder incentive).
- (2) Columns (a), (b), (c), and (d) show the cost of supply minus the cost of energy efficiency for the specified scenario.

2025 Demonstrations, Pilots, and Assessments

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1. INTRODUCTION

Rhode Island Energy (RI Energy or the Company) invests in demonstrations, pilots and assessments (DPAs) that support the development of new offerings and, more generally, expand energy efficiency choices for customers. For the 2025 program year, the Company investigated several potential projects while simultaneously constructing a process for more effective future research.

To cost effectively assess the marketplace for new technologies and program models, the Company leverages two PPL (RI Energy's parent company) memberships: Electric Power Research Institute (EPRI) and E Source. Company staff also stays up to date on offerings from other jurisdictions, emerging ideas from conventions and conferences, and general industry trends.

Electric Power Research Institute

EPRI is an independent non-profit energy research, development, and deployment organization with a membership of utilities and other energy companies worldwide. PPL has a long-standing relationship with EPRI, and PPL's CEO was the EPRI Board Chair for 2024. Power Delivery and Utilization, one of EPRI's research areas, has an Electrification and Customer Solutions focus area with some of the following programs:

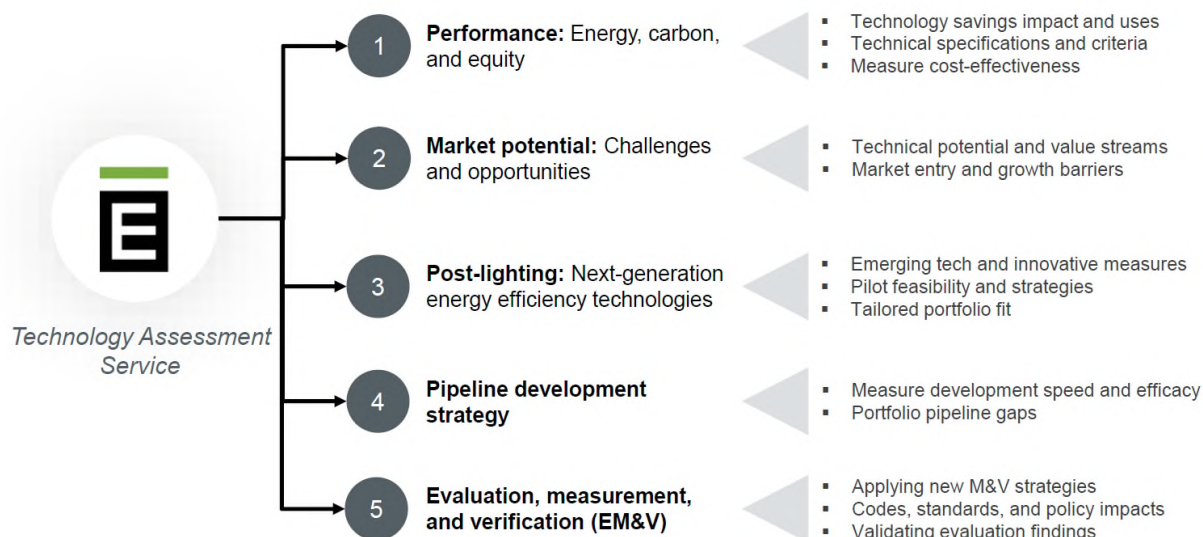
- Grid-edge customer technologies
- Customer insights
- Electrification
- Advanced buildings and communities

In 2024, RI Energy joined PPL's EPRI membership and conducted an analysis of its research for relevant opportunities to add to its energy efficiency program portfolio. The Company performed an assessment of past reports to determine if there are demonstrations, pilots and assessments it should pursue. The Company has initiated a process to review new studies and engage with EPRI as much as possible to influence future topic areas that may be of interest to Rhode Island consumers. The results of these reviews may be included in future quarterly and annual reports.

E Source

PPL also has a corporate membership with E Source, a utility member organization providing deep market research on energy efficiency and distributed energy programs, policy and technology. One of E Source's research areas is its Technology Assessment Service, which advises utilities on the performance characteristics, technical aspects, and feasibility of new demand-side management, distributed energy resources, and electrification technologies and measures. The Technology Assessment Service can help inform the Company's strategic technology and innovation

efforts for end-use technologies and measure development and assess end-use performance characteristics, energy impacts, and costs to help determine potential demonstration, pilot, and assessment projects. E Source's Technology Assessment Services are detailed below.



For E Source, the Company is employing a similar analysis process to what was outlined for EPRI above. Using PPL's corporate memberships in EPRI and E Source allows RI Energy to cost share with other PPL affiliates to access world-class technology research in a very cost-efficient manner.

DPA Selection Process

The Company stood up a new process to select DPAs for 2025. Following a thorough cataloging of EPRI and E Source research, the Company categorized all opportunities and applied a methodological, multi-step process to narrow down the most impactful options. Each potential DPA was awarded points based on its relevance to the Company's five key priorities listed in the 2024-2026 Three Year Plan as well as more specific residential and commercial program goals provided by sector leaders. After the initial ranking process, the team reviewed each DPA opportunity, prioritizing the highest-scoring opportunities. The Company established this step-by-step DPA review process with the intention of it being repeatable for future program years.

2. DEFINITIONS

The Company, using guidance from the PUC, has outlined three separate pathways that may be used to investigate ideas:

1. Demonstration,
2. Pilot, or
3. Assessment.

Ideas are vetted for fit and feasibility, commercial availability, and documented preliminary recommendations of characteristics such as target customer, market barriers, magnitude of potential savings, and delivery pathway. An idea will only be recommended as a demonstration, pilot, or assessment if there are clearly articulated research goals that cannot be answered without a concerted research effort.

The Company has three research pathways that can be applied during demonstration, pilot, or assessment:

- Independent Evaluation (highest rigor),
- Vendor Evaluation, or
- Review (lowest rigor).

The appropriate research pathway will be chosen jointly by the appropriate Company sector and evaluation leads depending on the needs and potential of the demonstration, pilot, or assessment. The same team will also consider the uncertainty of the savings, scope of the offering, market barriers, and whether the technology is considered as a demonstration, pilot, or assessment. The research and evaluation pathways are summarized in Table 1 and defined further below.

Table 1. Definitions: Pilots, Demonstrations and Assessments

	Pilot	Demonstration	Assessment
Defining characteristics	<ul style="list-style-type: none"> May result in independent program Long-term, comprehensive engagement required to test and develop offering Market capabilities may need to be developed 	<ul style="list-style-type: none"> Technology requires information gathering and field installations 	<ul style="list-style-type: none"> Technology addresses program need that cannot be met with other, more certain solutions Technology does not have a robust basis for energy savings
Cost effective savings information	Unknown or limited	Estimated savings	Unknown or limited
Evaluation Options*	Vendor or Independent	Vendor or Independent	Vendor, Independent, or Internal Review
Savings contribution to shareholder incentive	No	Yes	No
Cost recovery from SBC	Yes	Yes	Yes

* Each evaluation option will include input from EERMC and OER. Evaluation option selection based on factors such as uncertainty of savings, scope of offering, and whether technology is considered a demonstration, pilot, or assessment.

2.1 Pilots

In 2019, the Company redefined what it considers a pilot in accordance with Docket No. 4600-A PUC Guidance Document. Per the Guidance Document, “A pilot is a small scale, targeted program that is limited in scope, time, and spending and is designed to test the feasibility of a future program or rate design. It is incumbent upon the

proponent of a pilot to define these limits in a proposal for PUC review. Ideally, a pilot can provide net benefits and achieve goals, but the primary design and value of a pilot is to test rather than to achieve.”¹

Pilots are designed to explore technologies and approaches to energy management not included in the Company’s core energy efficiency programs and that could potentially become a new, standalone program.

Pilots enable the Company to test technologies, new energy management strategies, customer adoption, workforce adoption, and cost effectiveness of emerging and new technologies. While pilots are designed to test standalone programs, pilot results may conclude that a standalone program is not recommended, or that certain aspects of the pilot should be offered within existing programs. It is likely that pilots will require a long-term commitment and broader set of stakeholder input, given the scope of adding a new core program or program component to the Company portfolio. Savings associated with pilots will not contribute to shareholder incentives. Pilots may be evaluated with either an independent or a vendor evaluation.

A pilot is likely to be recommended when a solution:

- Meets the fit and feasibility criteria of the Intake stage.
- Is clearly defined in the Concept stage, including savings and potential estimates.
- Is unique and robust enough to operate as a standalone program.
- Requires comprehensive, long-term engagement to determine the benefits and structure of a potential standalone program.
- May require creation of new market capabilities for program success.

2.2 Demonstrations and Assessments

Demonstrations

For actions in this Plan that do not fall under the Docket 4600-A definition of pilots, the Company proposes the following definitions for demonstrations and assessments:

Where a pilot will test the feasibility of a new program outside of the existing core programs, a demonstration will test the feasibility of a new product or offering for inclusion in existing programs. It is generally expected that

¹ Docket No. 4600-A PUC Guidance Document, Oct. 27, 2017. Section V. Pilots.

demonstrations will be less time and resource intensive than pilots, since generally there is greater certainty around a narrow, incremental idea added to a program rather than a totally new set of offerings. Savings associated with demonstration projects may contribute to shareholder incentives. Demonstrations may be evaluated with either an independent or a vendor evaluation.

A demonstration is likely to be recommended when a solution:

- Meets the fit and feasibility criteria of the Intake stage.
- Is clearly defined in the Concept stage, including reasonable savings and potential estimates.
- May require information-gathering and field installations.
- Offers a robust basis for energy savings.

Assessments

Assessments will be deployed for solutions that address a particular gap or program need but have significant uncertainty around the effectiveness or potential of the solution to realize savings. Because of the uncertainty, assessments will not include field demonstrations or customer installations. Instead, assessments will focus on information gathering to equip Company staff to make a more informed decision of whether and how to proceed with the idea. It is possible that an assessment could recommend further demonstration of the idea or determine the solution should exit the review process. Savings associated with assessments may not contribute to shareholder incentives. Assessments may be evaluated with an independent evaluation, vendor evaluation, or internal review.

An assessment is likely to be recommended when a solution:

- Has questions of fit and feasibility in the Intake stage.
- Addresses a program need that cannot be met with other, more certain options.
- Lacks a robust basis for energy savings.

The Company employs three methods for conducting demonstration, pilot and assessment evaluations, described below.

2.3 Evaluations

Independent Evaluations

Independent evaluations apply the greatest level of rigor to the demonstration, pilot, or assessment and require broad coordination between teams. The Company participates in the planning and review process, but the evaluation itself is subject to the procurement process, oversight, and methods outlined in Attachment 3. The third-party evaluator develops the evaluation plan prior to customer installations to ensure the number and condition of

customer installations are appropriately rigorous. The evaluator does not necessarily perform customer installations; however, they are involved to the extent required to ensure appropriate metering and customer feedback needed for the final analysis.

An independent evaluation is likely to be recommended if a solution:

- Is expected to contribute significant savings towards program savings goals.
- Must consider a population-level analysis, as opposed to site-specific analysis, to answer research questions.
- Poses policy or baseline questions that should be addressed through the evaluation framework.

Vendor Evaluations

Vendor evaluations are managed by internal staff, with a single vendor completing all tasks. Vendor evaluations may be applied to a demonstration, pilot, or assessment. This evaluation pathway engages vendors to provide initial research on market readiness, market barriers, customer interest, and work in other territories, before they assess, install, and analyze the results of the technology. The vendor must not have a financial interest in the outcome of the pilot, demonstration, or assessment and must have the necessary engineering, research, or measurement and verification (M&V) experience to evaluate the idea in an unbiased manner. The vendor ultimately recommends whether and how to integrate the technology into the programs and presents key information to inform deployment of the offering, such as target customers, market barriers, savings methodology, and best practices for installations and commissioning. The key differences between a vendor evaluator and independent evaluator relate to oversight and coordination with the Rhode Island Evaluation, Measurement & Verification (EM&V) framework described in Attachment 3. A vendor evaluation is conducted by one of our existing program vendors and is managed by the program implementation team (with input/review from EM&V staff), whereas the independent evaluation is conducted by an evaluation firm chosen by the EM&V team through the evaluation selection process and managed by EM&V staff.

A vendor evaluation is likely to be recommended if a solution:

- Is not expected to contribute significant program savings, either because it is a niche application, or the per-project savings are relatively small.
- Is expected to be delivered through a custom pathway with site specific information inputs available during program delivery.

Internal Reviews

Internal reviews may use internal resources to explore a product through an assessment. The Company typically relies on external resources for pilots and demonstrations to leverage outside expertise and maintain the integrity of the savings calculations. Internal reviews focus on key questions of uncertainty or policy related to technologies

under investigation. An internal review can draw on available external resources and data, but will perform the research, analysis, and recommendations internally.

An internal review is likely to be recommended if:

- The solution is examined as an assessment.
- Research questions can be answered without customer installations.
- Research can be delivered with internal resources and external resources available without undertaking a procurement process (such as E Source).

3. SUMMARY OF DEMONSTRATIONS, PILOTS AND ASSESSMENTS

3.1 2024 Demonstrations, Pilots, and Assessments

Below is a status list of current/recent demonstrations, pilots, and assessments from the Company's Q1 2024 Energy Efficiency Quarterly Report:

DPA Name		Q2 2024 Updates
<u>Automated RTU Optimization - Demonstration - C&I</u>	Date	8/14/2024
	Stage	Evaluate
	Recent Activity	Evaluation report completed
	Next steps	Integrate strategies into program design and implementation
<u>Weatherization – Demonstration - C&I</u>	Date	8/14/2024
	Stage	Evaluate

	Recent Activity	Evaluation report completed
	Next Steps	Integrate strategies into program design and implementation
<u>Residential Equity Outreach Assessment – Assessment - Resi</u>	Date	8/14/2024
	Stage	Design
	Recent Activity	Conducted outreach to landlords and renters; considering expansion into other Equity Zones.
	Next Steps	Employ Phase 2 outreach strategies in Central Falls and strategize expansion.
<u>Multifamily Financing – Demonstration - Resi</u>	Date	8/14/2024
	Stage	Design
	Recent Activity	Finalized contract with BlocPower, reached agreement on each party's responsibilities
	Next Steps	Launch offering in Fall 2024

3.2 2025 Demonstrations, Pilots, and Assessments

The Company will focus its 2025 efforts on expanding and continuing two existing DPAs, The Multifamily Financing Assessment and The Residential Equity Outreach Assessment. After careful review, the Company did not identify any new opportunities to pursue in 2025. The Company instead proposes to prioritize efforts and resources on its existing assessments. These existing assessments provide important opportunities to innovate and improve outcomes in the residential/multifamily programs. Beyond DPAs, each sector is focusing on improvements within the programs in 2025.

The Residential sector has applied a major focus for 2025 on resolving energy audit deferrals stemming from pre-weatherization barriers (PWBs). Although introducing PWB resolution on a small scale as a DPA was considered, the Company believes that the PWB effort fits more naturally into the existing structure of the EnergyWise Single Family and Income Eligible Single-Family programs. Therefore, the Company decided that the time and energy of the Residential sector was better spent working through the PWB issue and leveraging additional funding to that end.

On the Commercial & Industrial side, the Company has implemented several demonstrations, pilots and assessments in recent years (e.g. Building Analytics, weatherization measures, SwarmStat), and the Company's priority for 2025 is to grow and expand these initiatives and offerings within the programs, rather than embarking upon new DPA processes. The Company will, however, continue to seek out and screen new and cutting-edge measures (e.g. replacement of GHG refrigeration systems with refrigeration systems using natural refrigerants) in 2025 through its custom application process.

3.2.1 Multifamily Financing Assessment

Innovation Overview

BlocPower is a climate technology company based in Brooklyn, NY. They offer a financing structure for multifamily building energy efficiency and electrification projects. BlocPower structures its financing as a fifteen-year lease, with \$0 money down options. The lease can be used to fund a wide variety of energy efficiency and electrification measures, from HVAC upgrades, air & ground source heat pumps, heat pump hot water heaters, appliances, smart meters, solar photovoltaic systems, battery storage, EV chargers, smart thermostats, and building air sealing and insulation work. Financing can be used to cover related remediation measures ranging from the removal of knob and tube wiring, lead, mold, or asbestos to repairs for a leaky roof.

BlocPower's financing can be paired with local, state, and federal incentives, including rebates and credits from the Inflation Reduction Act, to provide maximum savings to customers. BlocPower's lease includes twice-yearly system maintenance. At the end of the fifteen-year lease, customers can either buy the system for one dollar, or sign up for a new lease with BlocPower.

BlocPower has developed a program for building owners to easily access critical upgrades at no upfront cost. These building upgrades, which can save money, reduce energy usage, improve local health, and mitigate unsafe conditions are bundled together under a 15-year lease agreement, with the option for a full warranty for the duration. This financing structure, which builds upon the strong track record of similar agreements in the solar energy industry, has been shown to increase adoption by reducing complexity, helping manage risk, and critically, by providing ready access to the capital needed to put these important improvements in place. The structure is unique to BlocPower, having been developed over several years in partnership with Goldman Sachs, Inclusive Prosperity Capital (an outgrowth of the Connecticut Green Bank) and various public and private sector finance organizations.

BlocPower has facilitated the financing and installation of over 1,200 green retrofits, largely in low- and moderate-income communities. BlocPower's financing is part of formal city/utility programmatic offerings in New York, Massachusetts, New Hampshire, Colorado, and California. BlocPower focuses financing on single family residential, small and large multi-family properties, small commercial buildings, and community institutions. When financing, BlocPower underwrites the customer's credit risk, then organizes, manages, and pays for the construction of the project.

The financial structure BlocPower utilizes overcomes many of the challenges that currently hinder building efficiency upgrade financing. These challenges include the mixed creditworthiness of building owners and tenants, the multifaceted and complex nature of the financing process for building owners, and the potentially high financing rates for these upgrades. All these place limitations on who can access upgrades.

Target Customer and Program Fit

This assessment is testing an alternative financing model to fund projects for electric and delivered fuels customers at residential multifamily buildings with a particular focus on smaller buildings with two to twenty units. The Non-Participant Market Barrier Study found that even with rebates, upfront costs are a barrier to program participation for both customers and landlords/property managers. The BlocPower program overcomes this barrier by offering a solution that does not require an upfront monetary investment.

Prior Efforts

Financing for multifamily buildings is currently offered through the HEAT loan program. Even with the favorable interest rate available, the longest HEAT loan term available is seven years and the loan is capped at \$25,000 per unit. This has not proven sufficient to incentivize project implementation in the multifamily market in Rhode Island. BlocPower offers a longer term (15 years) and does not require a lien on the underlying building and property. The lease is secured by the installed equipment.

Assessment Delivery

The Company is subsidizing the expenses associated with BlocPower's underwriting. As with any financial instrument, the capital provider, in this case BlocPower, assesses the creditworthiness of building owners and gauges their ability to honor the obligations of the fifteen-year lease agreement. Defraying these expenses will cost approximately \$39,000.

The Company finalized a contract with BlocPower in June 2024. BlocPower, the Company, and its multifamily implementation contractor are collaborating to launch the BlocPower offering by the Fall of 2024. Our discussions with BlocPower have centered around defining the specific roles and responsibilities of the Company, our contractor, and BlocPower. All parties are working together on a comprehensive outreach and marketing strategy to ensure the program's success. Support will be provided by BlocPower to building owners who speak a language other than English. Our contractor is also reviewing their list of potential program participants to identify good candidates for the financing offered by BlocPower. Our goal is to complete two to three projects with BlocPower over the course of the Assessment.

3.2.2 Residential Equity Outreach Assessment

Innovation Overview

This assessment was developed to address and better understand the challenges with reaching landlords and renters in the Company's equity communities. Non-profit organizations are well-positioned within these communities to conduct creative, responsive, and community-grown energy efficiency outreach and education efforts. At the same time, the Equity Working Group (EWG) has apprised the Company of increasing demands on non-profits to provide community outreach while receiving no additional funding. To address this, in 2024 the Company provided an incentive of \$40,000 to be split between the City of Central Falls and Progreso Latino, a local non-profit organization.

The Residential Equity Outreach Assessment has successfully engaged and incentivized Progreso Latino to provide direct energy efficiency education and outreach to landlords in Central Falls, one of the Company's identified equity communities. One innovative strategy that Progreso Latino is pursuing is holding landlord listening sessions in the Fall. During these sessions, the Company and its partners will hear from landlords around the city about the barriers they face to participating in Rhode Island's energy efficiency programs, and if appropriate, will discuss ways to alleviate these barriers. Progreso Latino is hosting and conducting the outreach for these sessions.

In 2025, the Company is looking to build upon and expand this Assessment to Providence. In addition to seeking out the participation of non-profits based in Providence, the Company tentatively plans to partner with a local health system network on this effort.

Target Customer and Program Fit

This assessment is designed to reach both single-family and multifamily residential customers in the Company's equity communities who may experience barriers in accessing and adopting energy efficiency offerings. These

communities are currently defined to include the cities of Central Falls, East Providence, Pawtucket, Providence, and Woonsocket. The Company is committed to ensuring customers across Rhode Island have equitable access to energy efficiency, regardless of their income, geographic location, primary language, business size, home ownership status, or other relevant barriers.

Prior Efforts

This assessment builds upon equity outreach efforts pursued in the 2023 and 2024 program years. In collaboration with the EWG, the Company gathers feedback on its efforts to continuously improve and scale impact. For more information on the Company's 2025 equity initiatives, please refer to Section 2.6.1 of the 2025 Annual Plan Main Text.

Assessment Delivery

Central Falls city officials partnered with Progreso Latino in May of 2024 to send out educational materials about Rhode Island Energy energy efficiency programs to every resident in Central Falls. The letters listed Progreso Latino as a trusted contact point for customers who are looking for more information. This outreach effort will be followed by multiple live listening sessions held jointly by Progreso Latino and the Company in the Fall, in which residents will have the opportunity to ask questions as well as express their barriers to participation in efficiency programs. Outreach materials include a QR code which connects customers to further Energy Efficiency information. The number of QR code scans will be tracked as a success metric for the assessment. Other metrics include local program participation rates and community attendance at listening sessions.

The Company will pursue similar strategies in Providence in 2025 based on their success in encouraging program participation in Central Falls.

Evaluation

The Residential Equity Outreach Assessment will be evaluated through the Company's Internal Review process (see Section 2).

2025 Cross-Program Summary

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1. INTRODUCTION

The Cross-Program Summary documents how the proposed 2024 Energy Efficiency Annual Plan programs relate to other specific RI Energy programs outside of the energy efficiency docket. The questions are based on Public Utility Commission Information Requests 1-8 and 1-9, from the 2019 Energy Efficiency Annual Plan, Docket 4888.

2. PROGRAMS WITH NO INTERACTION WITH OTHER PROGRAM PROPOSALS

The descriptions in this section apply to the following programs:

- a. Residential New Construction
 - b. Energy Wise
 - c. EnergyWise Multifamily
 - d. Home Energy Reports
 - e. Energy Star HVAC
 - f. Residential Consumer Products
 - g. Single Family Income Eligible Services
 - h. Income Eligible Multifamily
 - i. Large Commercial New Construction
 - j. Small Business Direct Install
 - k. Commercial and Industrial Multifamily
-
- 1. Is the program being moved from, consolidated with, or split between another program proposal?
 - a. No

 - 2. Does the program have a component funded in other programs?
 - a. No

 - 3. Does the primary purpose of the project or program fall into one of the following categories?
 - a. DR: local system
 - i. No
 - b. DR: bulk system/transmission
 - i. No
 - c. DG: adoption/interconnection
 - i. No
 - d. DG: load reduction

- i. No
 - e. Storage: grid side
 - i. No
 - f. Storage: customer side
 - i. No
 - g. Grid Mod: physical infrastructure/grid-facing data
 - i. No
 - h. Grid Mod: customer-facing data
 - i. No
 - i. Electrification: vehicles
 - i. No
 - j. Electrification: heating
 - i. No
4. If the response to part of question 3 is in the affirmative, please respond to the following:
- a. N/A

Standardized Definitions for the 2025 Annual Efficiency Plan

Assessment

An assessment will be deployed for solutions that address a particular gap or program need but have significant uncertainty around the effectiveness or potential of the solution to realize savings. Because of the uncertainty, assessments will not include field demonstrations or customer installations. Instead, assessments will focus on information gathering to equip Company staff to make a more informed decision of whether and how to proceed with the idea. It is possible that an assessment could recommend further demonstration of the idea or determine the solution should exit the review process. Savings associated with assessments may not contribute to shareholder incentives. Assessments may be evaluated with an independent evaluation, vendor evaluation, or internal review.

Customer Contribution/Customer Cost

The financial cost of a measure and/or service that is not covered by the customer incentive.

Customer Incentive

Financial support and/or services (e.g., rebates, on-bill repayment) provided to participants in attempt to motivate the installation of measures and/or changes in behavior to achieve energy savings.

On-Bill Repayment (OBR)

A financial mechanism that allows customers to pay back the customer contribution/customer cost of a measure and/or service on their energy bill.

Demonstration

A demonstration will test the feasibility of a new product or offering for inclusion in existing programs. It is generally expected that demonstrations will be less time and resource intensive than pilots, since generally there is greater certainty around a narrow, incremental idea added to a program rather than a totally new set of offerings. Savings associated with demonstration projects may contribute to shareholder incentives. Demonstrations may be evaluated with either an independent or a vendor evaluation.

Evaluation

Independent Evaluation: An independent evaluation uses a third-party evaluation vendor selected via a competitive Request for Proposals process for the specified evaluation or selected in the recent past for

evaluation services of efficiency programs. An independent evaluation can be both a process and an impact evaluation.

Vendor Evaluation: A vendor evaluation is conducted by a vendor installing a technology, measure, strategy, or solution. A vendor evaluation can also be conducted by a Technical Assistance vendor who conducts a savings analysis for the installed technology, measure, or an energy saving strategy. A vendor evaluation can only be an impact evaluation.

Goals

Goals refer to Rhode Island Energy's annual plan energy efficiency savings goals.

Interstate Benefits

Interstate benefits include rest-of-pool electric energy, electric capacity, gas, and oil DRIPE benefits.

Intrastate Benefits

Intrastate benefits refer to benefits when rest-of-pool electric energy, electric capacity, gas, and oil DRIPE benefits are removed.

Non-Energy Impacts

Non-energy impacts (NEIs) are those other than the energy and demand savings generated by efficiency programs. Non-energy impacts accrue to program participants (e.g. increased comfort and health, improved property values), society at large (e.g. greenhouse gas reductions, improved air quality), and the utility system (e.g. Reduced arrearages).

Non-Participant

A customer that does not directly participate in an efficiency program.

Participant

A customer that reduces or otherwise modifies their energy end use patterns due to involvement in an efficiency program. Participation is measured differently in different programs. For several programs, a participant is defined as a customer account (electric or gas). In contrast, the Residential Consumer Products program measures participation by the number of rebates processed.

Pilots

A pilot is a small scale, targeted program that is limited in scope, time, and spending and is designed to test the feasibility of a future program or rate design. It is incumbent upon the proponent of a pilot to define these limits in a proposal for PUC review. Ideally, a pilot can provide net benefits and achieve

goals, but the primary design and value of a pilot is to test rather than to achieve. Pilots are designed to explore technologies and approaches to energy management not included in the core energy efficiency programs (Residential, Commercial and Industrial, and Multifamily) and that could potentially become a new, standalone program.

Pilots enable the Company to test technologies, new energy management strategies, customer adoption, workforce adoption, and cost effectiveness of emerging and new technologies. While pilots are designed to test standalone programs, pilot results may conclude that a standalone program is not recommended or that certain aspects of the pilot should be offered within existing programs. It is likely that pilots will require a long-term commitment and broader set of stakeholder input, given the scope of adding a new core program to the Company portfolio. Savings associated with Pilots will not contribute to shareholder incentives. Pilots may be evaluated with either an independent or a vendor evaluation.

Portfolio

A collection of programs. The electric portfolio contains programs that primarily focus on delivering electricity savings and the natural gas portfolio contains programs that primarily focus on delivering natural gas savings. Per the Least Cost Procurement Standards, as updated in RI PUC Docket 5015, a portfolio is required to be cost-effective.

Program

A collection of defined services and/or measures carried out by Rhode Island Energy and/or its vendors and subcontractors that: target a specific market segment, customer class, or defined end use; are designed to influence customer behavior to achieve changes in energy usage, equipment preferences, investment, and maintenance practices; and are guided by a specific savings goal and have a benefit-cost ratio. Programs are typically made up of the following categories that contribute to the overall program savings goals and benefit-cost ratios. Per the Least Cost Procurement Standards, as updated in RI PUC Docket 5015, a program is required to be cost-effective.

Sub-Program

Within the Commercial and Industrial Sector, a sub-program is a further grouping of measures within a program. An example is the upstream lighting sub-program within the Commercial and Industrial Sector.

Measure Group or Category

A group of measures with similar characteristics within a program. For example, the measure group LED in the Residential lighting program includes several types of LED light bulbs and the Compressed Air measure group within the Large Commercial New Construction program contains all the compressed air measures within that program.

Measure

A piece of equipment or customer action that reduces or otherwise modifies energy end use patterns. This is the most granular level of categorization. For example, an LED light bulb.

Comprehensive Measures: When a customer employs multiple pieces of equipment or actions that reduce or otherwise modify energy use at the same time, more fully taking advantage of energy savings opportunities at one time rather than completing piecemeal projects.

Services

A range of activities to support customer awareness, education, and adoption of energy saving and energy modification opportunities including free technical assistance, training, analysis, and reports.

Initiative

A “go to market” strategy within a program that promotes a subset of measures or services within that program and/or targets a certain segment of customers. For example, the Grocery Initiative within the Large Commercial and Industrial Retrofit Program.

Assessment

Refer to the definition above. Included in this section again to indicate that assessments can be a component of programs.

Demonstration

Refer to the definition above. Included in this section again to indicate that assessments can be a component of programs.

Performance Incentive

A financial incentive that the Company has an opportunity to earn based on performance in fulfilling the savings goals of the approved Annual Plan. The Performance Incentive is authorized and established through Annual Energy Efficiency Plans by R.I. Gen. Laws § 39-1-27.7(e) and § 39-1-27.7.1.

Rebate

A financial incentive paid to a participant in order to obtain a specific action, typically the installation of equipment. A rebate can also be paid to manufacturers and suppliers of measures to lower the price at the point of sale to the customer.

Rhode Island Only Benefits

Rhode Island only benefits are all Rhode Island Test benefits without rest-of-pool DRIPE (electric energy and capacity, gas, and oil).

Savings

Annual Savings: Energy savings accrued annually from the installed measure(s).

Lifetime Savings: Energy savings accrued over the functional lifetime of the installed measure(s).

Sector

A grouping of participants by customer rate class. Programs are organized by these groupings. There are three sectors: Residential, Income-Eligible, and Commercial and Industrial.

Technical Assistance (TA) Study

A technical assistance study assesses a measure or group of measures for savings and costs and is performed by a third-party technical assistance vendor. A TA study quantifies electric and gas savings, along with delivered fuel and non-energy impacts. TA studies include some or all of the following activities: facility benchmarking and/or walkthrough, equipment metering or analysis of building energy management system data, determination of measure baseline, engineering analysis of the operation of the baseline, and proposed measures and building energy simulations. The TA vendor performs a benefit-cost screening to assess the estimated payback for the customer along with the impact of costs and savings. A TA study report is presented to the customer which outlines the methodology followed to determine estimated project savings, cost, and project payback, along with the results of the study.

Technical Assessment

A technical assessment is engineering research conducted to determine the savings of a new technology or measure that may not be widely adopted in the market.



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2024 Rhode Island Energy Efficiency Equity Working Group Report

Prepared by Green & Healthy Homes Initiative
For inclusion in
Rhode Island Energy's 2025 Annual Plan

September 2024

September 10, 2024

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Angela Li
Supervisor, Residential/LMI Programs
Rhode Island Energy
280 Melrose Street
Providence, RI 02907

RE: 2024 Rhode Island Energy Equity Working Group Report

Dear Angela Li:

Please find attached the 2024 Rhode Island Energy Efficiency Equity Working Group (EWG) Report prepared for Rhode Island Energy ("The Company") for inclusion in its 2025 Annual Plan. We would like to thank the Company for co-hosting the Equity Working Group and we appreciate the opportunity provided by the Company for GHFI to continue its facilitation of the EWG. We are also grateful for EWG member and partner organization participation, engagement, and feedback throughout the process.

The work this year was completed as the Federal and state governments make historic investments in energy efficiency and decarbonization through the Inflation Reduction Act and the Bipartisan Infrastructure Law. Simultaneously, we continue to see implementation of Justice40 and similar Initiatives to ensure that a significant portion of these investments realize benefits to historically disadvantaged communities that are marginalized, underserved, and overburdened by pollution. Our shared opportunity to advance intersectional work around energy, health, housing, and equity is now, more than ever, a pathway to create healthy, affordable, energy-efficient housing. Prioritizing energy equity in coordination with energy efficiency programs drives investments where they are most needed and, therefore, can generate the greatest benefits to our communities and our environment.

We look forward to continuing this important work and doing our part to advance EWG recommendations wherever we are able. We are confident that this report can be a useful tool for the Company, RI OER, the advocacy community, the PUC, and other organizations as we work together to create more equitable energy efficiency programs and outcomes.

Sincerely,

DocuSigned by:

6171FEFD32CD49A...

Ruth Ann Norton
President & CEO

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Executive Summary

In alignment with its ongoing commitment as part of the 2021-2023 Energy Efficiency Program Plan (2021-2023 EE Plan), the Company continued its partnership with the Green & Healthy Homes Initiative (GHHI) to facilitate the Rhode Island Energy Efficiency Equity Working Group (RI EWG), with support from the Rhode Island Energy Team. The RI EWG's goal remains to provide the Company with actionable recommendations and strategies to enhance equity in the planning, design, and delivery of its energy efficiency programs. These recommendations aim to guide the Company in refining or reworking existing programs and services to better serve the Company's diverse customer base.

Throughout 2024, forty seven stakeholders from a range of organizations and backgrounds convened from January 2024 through August 2024 to evaluate progress and discuss new priorities for the 2025 Annual Energy Efficiency Plan. As the RI EWG advances into its fourth year, two key themes emerged: 1) the need for greater transparency and accountability and 2) the need for increased representation from community-based organizations and residents. Members have expressed a desire for improved metrics tracking and reporting to offer deeper insights into areas such as outreach and engagement, program accessibility, and workforce development. The table below outlines the equity issues and key themes prioritized by EWG members. These priorities have shaped the development of new recommendations, strategies for implementation, and proposed metrics and targets.

2024 RI EWG Equity Issues & Key Themes
<p>Building on Past Recommendations: The RI EWG wants to ensure previous recommendations are not forgotten about, including:</p> <ul style="list-style-type: none"> • Participation Barriers: The Company's energy efficiency programs continue to see low participation rates among Low-to Moderate Income (LMI) residents. • Multifamily Barriers: Multifamily housing continues to be a difficult area for energy efficiency program implementers to reach due to a variety of barriers. • Microbusinesses and Small Businesses: 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. • Pre-Weatherization Barriers: Through Q2 2024, RISE reported of the 1,798 homes receiving assessments and identified to have opportunities for weatherization through Q2 of 2023, 51 percent of those households had pre-weatherization barriers, where only 38 percent of those barriers were resolved. This does represent a notable improvement from 2023, where 54 percent of households had pre-weatherization barriers and only 24.6 percent were resolved. • Metrics Tracking/Reporting: Based on RI EWG member feedback, the Company has been enhancing its tracking and reporting of metrics and is preparing to provide more comprehensive updates later this year to address previous concerns about data reporting and baseline insufficiencies.
<p>Community Engagement & Outreach: Community engagement and outreach emerged as a key theme through 2024, emphasizing the need for targeted strategies and recommendations to improve program participation. Focused efforts on addressing barriers and enhancing communications in underserved communities are central to advancing equitable access to the Company's energy efficiency programs.</p>
<p>Workforce Development & Resource Development: As in previous years, the RI EWG continued to highlight the need for advancing equitable workforce development by building a diverse, skilled workforce, strengthening partnerships with builders and contractors, and expanding language accessibility across all resources and trainings.</p>

Background/Introduction

The Company, as a part of its 2021-2023 Energy Efficiency Program Plan (2021-2023 EE Plan), committed to working with the Rhode Island Office of Energy Resources (OER) to co-host an Energy Efficiency Equity Working Group (EWG). The EWG was envisioned to 1) be comprised of representatives from state agencies, community-based organizations, advocacy organizations, and local subject matter experts in equity; 2) provide a space where the voices and concerns of impacted communities could inform discussions on equity issues; 3) identify areas of importance and focus around issues of equity for the energy efficiency programs; and 4) be a resource in the development of future Annual and Three-Year Energy Efficiency Plans, alongside related evaluation efforts. The desired deliverable from the EWG was to provide the Company with written recommendations to advance equity in the planning, design, and delivery of its Energy Efficiency Programs. The Company would then use these recommendations to propose the elimination of or alteration of current programs, or the development of new programs or services that would help to better serve the Company's diverse customer base.

The EWG has given impacted communities, and the organizations that serve them, an ongoing and structured opportunity to collaborate and provide input and feedback on the planning and delivery of The Company's energy efficiency programs, with a specific focus on equity.

In addition, the Company contracted with the Green & Healthy Homes Initiative (GHHI) in 2021 to facilitate the development and implementation of the EWG throughout Years 2-4. GHHI is a national non-profit organization dedicated to addressing the social determinants of health and the advancement of racial and health equity through the creation of healthy, safe, and energy efficient homes. GHHI has a local Rhode Island office that works to coordinate federal, state, and philanthropic resources to develop programming, in partnership with state and local municipalities and nonprofits, which provides low-income Rhode Island residents with integrated energy efficiency, health, and safety housing retrofit programs. More information on GHHI can be found in the Appendix.

Methodology

EWG Member Recruitment

In 2024, GHHI continued to retain participation from previous years and recruit additional stakeholders and residents that can add unique perspectives and solutions in the RI EWG. As in previous years, GHHI's intent for member recruitment aimed to achieve the following:

- Prioritize individuals and organizations that have experience and expertise in providing services or designing and implementing policies that support services that benefit residents of underserved and under-resourced communities, particularly limited income households, black and brown residents, and other communities served by the Company.
- Add perspectives that have not traditionally been heard in energy efficiency proceedings or policy and program advocacy, and
- Support diversity including, but not limited to gender, race, economic status, and geography to ensure that EWG members represented a wide range of perspectives.

In addition, the Rhode Island Office of Energy Resources (OER) provided additional recruitment support through the Climate Justice Hour group. The Climate Justice Hour, hosted by the Rhode Island Department of Environmental Management (RI DEM) and OER, allows an opportunity for community

2024 RI EWG Report
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members, organizers, and environmental justice advocates to discuss pressing climate change issues that have affected Rhode Island communities.

Through the listed efforts above, the RI EWG welcomed 19 new faces throughout 2024. While not every member was able to attend meetings, all were kept informed through meeting notes and updates. In addition, the following Rhode Island Energy staff attended meetings throughout 2024: Brendan Dagher, Carinel LeGrand, Angela Li, Spencer Lawrence, Brett Feldman, Mark Siegal, Sulman Pino Brand, and Kate Felder.

Year 4 RI EWG Members: Members listed below attended at least one meeting in Year 4.

- Bryan Evans, GHHI RI (Facilitator)
- Bert Cooper, GHHI
- Steve Chybowski, RI OER
- Greg Ohadoma, RI OER
- Karen Bradbury, RI OER
- William Owen, RI OER
- Brian Kearney, RISE
- Eileen Barrett, RISE
- Rachel Calabro, RI DEM
- Brenda Clement, HousingWorks RI
- Craig Johnson, Optimal Energy
- Priscilla De La Cruz, City of Providence
- Emily Koo, Acadia Center
- Joe Garlick, NeighborWorks
- Karen Verrengia, CLEAResult
- Jon Erickson, CLEAResult
- Margie Lynch, EEC C-Team
- Margarita Robledo, RIBA
- Rele Abiade, Consultant to Compete RI
- Eloi Rodas, ONE Neighborhood Builders
- Adrian Caesar, Optimal Energy & EEC C-Team
- Jordan Galluzzo, Optimal Energy & EEC C-Team
- Dayanarah Baez, CAPP
- Lidia Nunez, CAPP
- Kate Venturini, URI
- Lauren Gardner, URI
- Lexi Szabo, URI
- Kaeley Skakalski, URI
- Chris Royer, Royer Architects
- Tarshire Battle, Roots2Empower
- Toby Arment, HousingWorks RI
- Emily Goodman, OLIS
- Amanda Reed, OSCIL
- Beth Pinkham, OSCIL
- Melissa Cruz, City of Providence
- Julianne Walsh, CLEAResult
- Andrea Champagne, CCAP
- Ethan Phan, Acadia Center
- Garry Bliss, Prospect Health Systems
Medicaid AE
- Joy Yakie, Acadia Center
- Rachel Sholly, EEC C-Team



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2024 Recruitment Efforts & Process

Our recruitment efforts for the RI EWG involve a targeted outreach strategy to identify and engage diverse stakeholders who are passionate about advancing energy equity. We utilize a combination of direct invitations, community partnerships, and public announcements to attract qualified candidates. This includes recruiting through the RI Health Equity Zones, at Rhode Island Energy Customer Expos, and by connecting with organizations like the RI Hispanic Chamber of Commerce and the Community Health Worker Association of Rhode Island (CHWARI). In addition, GHHI has connected with Dawn Taylor-Church, LIHEAP's Community Outreach Coordinator, who will share the opportunity with her clients.



LIHEAP and RIE at 25th Annual Back to School Celebration at West End Community Center – August 2024

The RI EWG was originally built to be an open invite to any resident or stakeholder interested in providing input and guiding the direction of our work. This allows interested individuals to join by request or through an invitation from a current member to Bryan, the lead facilitator. New members can meet with Bryan to learn about the group's background, history, and current updates, ensuring they are well-informed and aligned with the group's goals.

Lastly, the RI EWG still does not have any compensated residents, but GHHI has continued to circulate the RI EWG Recruitment Flier to Health Equity Zone newsletter blasts, including OneCentral Providence, to improve resident recruitment as of September 2024. With the addition of Kate Felder, the Company will also reengage with the Health Equity Zones and increase engagement with community-based organizations to further promote the RI EWG.

EWG Meeting Timeline

From January through August 2024, GHHI facilitated six working group meetings.

In 2024, the RI EWG adjusted its approach to the timeline and frequency of meetings based on EWG member feedback. The group reconvened in January, holding monthly meetings through March to ensure ample time for in-depth discussions and feedback on equity metrics selection and the development of new recommendations and strategies.

A total of 6 meetings were planned through the Summer of 2024, including a seventh meeting being planned in October 2024 dedicated to reviewing the final report and commitments for 2025. This meeting will include discussions to gather additional feedback from working group members, hear preliminary thoughts from the Company, and outline the next steps to maintain progress. An eighth meeting will be scheduled in November 2024 to track progress and highlight equity metric reporting updates.

The revised timeline and meeting structure have enabled the group to maintain an effective discussion and review process that resulted in a set of recommendations and strategies the group feels will advance the Company's efforts to increase equity across its energy efficiency programs. The RI EWG will begin Year 5 in January 2025, continuing with a similar meeting cadence to further advance the objectives and support the Company's efforts.

Month	Activities
January	<ul style="list-style-type: none"> GHHI conducts additional recruitment for 2024 (Year 4) Equity Working Group Year 4 Meeting #1 – EWG strategies / metrics
February	<ul style="list-style-type: none"> Year 4 Meeting #2 – EWG strategies / metrics
March	<ul style="list-style-type: none"> Year 4 Meeting #3 – EWG strategies / metrics
May	<ul style="list-style-type: none"> Year 4 Meeting #4 – Discuss progress and challenges with implementing equity recommendations/workshop ideas and solicit feedback; intake new ideas and recommendations; feature guest presenters
July	<ul style="list-style-type: none"> Year 4 Meeting #5 – Discuss progress and challenges with implementing equity recommendations/workshop ideas and solicit feedback; intake new ideas and recommendations; feature guest presenters
August	<ul style="list-style-type: none"> Year 4 Meeting #6 – Review the first 2024 equity metrics report; review and compile EWG refreshed recommendations for 2025 First draft of Year 4 EWG Report issued
September	<ul style="list-style-type: none"> Final draft of Year 4 EWG Report issued in early September RIE decides which equity strategies and metrics to adopt in 2025 plan
Nov. & Dec.	<ul style="list-style-type: none"> The RI EWG will convene twice between October and December to hear from RIE on relevant progress to date and prepare to develop plans for 2025
Jan, Feb, Mar 2025	<ul style="list-style-type: none"> During the first quarter of 2025, GHHI RI will convene the RI EWG monthly between Jan-Mar to begin work to inform Rhode Island Energy's 2026 Annual EE Plan

In preparation, the RI EWG will begin to compile potential agenda topics for the November and December meetings throughout September 2024.

Recommendations, Actions, & Metrics

The following section is a breakdown of Recommendations & Strategies developed throughout 2024. This section reflects the outcomes of our prioritization exercises and discussions throughout the process, outlining key recommendations and strategic actions for the Company to implement. The list is broken down into sections: Building on Past Recommendations, Community Engagement & Outreach, and Workforce Training & Resource Development.

RI EWG Year 4 – Key Theme Areas & Recommendations

Building on Past Recommendations:

- 1) Incorporate Prior Recommendations & Strategies:** Ensure the Rhode Island Energy 2025 Annual Plan builds upon adopted recommendations from previous years while actively seeking input from the RI EWG to provide continued input and solutions and shape new recommendations for the upcoming year. This includes key equity issues such as multi-family housing, equity metrics



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tracking and reporting, and other critical areas highlighted in previous recommendations. Even if some recommendations cannot be prioritized in the current year, the Company should maintain an approach to document and revisit them, ensuring they are not overlooked and are integrated into future planning and discussions. This approach will ensure continuity and alignment with community and member needs. For example:

- a. **Strategically Align, Braid, & Leverage Additional Healthy Homes, Lead Hazard Control, and other programs to Address Pre-Weatherization Deferral:** The Company should continue to work with partners, including GHHI, to address pre-weatherization barriers. GHHI's whole-home strategy can significantly support in addressing pre-weatherization barriers that lead to deferrals including mold/mildew, carbon monoxide, and inoperable heating systems.
- b. **Increase Targeted Support for Small and Micro Businesses:** Implement targeted outreach strategies and create a Customer Advocate role within Rhode Island Energy specifically for small and micro businesses. Expand efforts in underserved communities such as Providence, Central Falls, and Pawtucket through initiatives like the Main Street efforts.
- c. **Provide Transparency in Planned and Actual Spending on Equity-Related Efforts:** Compile, provide, and report information on spending on equity efforts for renters, moderate income customers, language access, low-income customers, small and microbusinesses, and workforce diversity.

Rhode Island Energy Response:

The new Residential Consumer Advocate has already connected with Mark Seigal from RI Commerce to develop a partnership with their Small & Minority Business Department, enhancing support for these businesses.

Additionally, Rhode Island Energy is actively working to incorporate past recommendations, including those not explicitly covered in this document, to ensure a comprehensive approach to fostering equitable recommendations and strategies.

Community Engagement & Outreach:

2) Enhance Outreach & Education

Efforts: Leverage upcoming events such as the Health Equity Zone (HEZ) Learning Community Events and the University of Rhode Island's Plugged into Energy Research Lecture Series, as strategic platforms to enhance outreach and increase participation across the Company's energy efficiency programs. By focusing these opportunities on engaging community-based workers, advocates, and residents, it will actively promote energy efficiency programs, increase awareness, and



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drive participation, especially in underserved and underrepresented communities. This approach will involve targeted outreach, collection of actionable feedback, and collaborative efforts to refine and adapt programs to better meet the needs of income-eligible individuals and boost program participation. By developing and implementing targeted communication strategies on available financial incentives, it can help reach underserved communities through a variety of media channels, community partnerships, and local events.

To prepare for enhanced outreach efforts, the Company printed 20,000 new weatherization fliers (pictured on the right) in English and Spanish that will be added to backpacks that will be distributed to underserved communities at the Back to School Celebration Rhode Island on August 24th, 2024.

Lastly, the RI EWG wants to emphasize the importance of tracking mechanisms to monitor and evaluate the impact of outreach efforts at these events (e.g., conversion rates), ensuring that they are effectively reaching and engaging underserved communities and population segments. The RI EWG can continuously assess and adjust strategies to improve outreach effectiveness and ensure all communities are equitably informed. RI EWG members would like to see a commitment from the Company to share data on its outreach efforts.

Rhode Island Energy[®] Efficiency Programs

Save money with a no cost Home Energy Assessment.

Here are the five key things you can expect at your no cost Home Energy Assessment:

- 1 Start Saving Energy the Same Day**
During your assessment, your Energy Specialist may install no cost programmable thermostats, low-flow showerheads, faucet aerators, and advanced power strips.
- 2 Insulation Inspection**
If your Energy Specialist recommends insulation upgrades, your customer report will outline the cost and your expected energy savings. Rhode Island Energy offers 75-100% off the cost of insulation.
- 3 Locate Drafts**
If your Energy Specialist finds heat and air conditioning is also escaping through cracks throughout your home, they'll recommend 100% no-cost air sealing to be completed by a professional certified contractor.
- 4 Heating System Test and Other Appliances**
Your heating system and hot water heater will be tested for both carbon monoxide and the ability to draft up the chimney properly. You may qualify for rebates to help purchase new efficient appliances and mechanical equipment.
- 5 Review the Results and Discuss the Next Steps**
At the end of the visit, your Energy Specialist will review their recommendations for improving the efficiency of your home, including all the incentives, rebates, and 0% financing you're eligible to receive.

The energy assessment process takes around 2 hours. To schedule your no cost home energy assessment, please call 1-888-633-7947 or visit www.rienergy.com/saveathome.

This program is available to residential customers of Rhode Island Energy who are water, gas, and electric. If you live in a building with 5 or more units, you may register through the multifamily program. Used fuel oil or any on-site generation equipment (generators) is not eligible for this program. Offer subject to program rules and availability. Offer ends 12/31/2024. © 2024 Rhode Island Energy. All rights reserved.

Rhode Island Energy Response:

The Company is committed to inclusive marketing strategies to reach all customers, with a focus on historically underserved communities and small/micro businesses. In 2025, the Company will continue multilingual marketing through a variety of channels including email, direct mail, and Spanish language radio. The Company will also enhance outreach by collaborating with organizations linked to MWBEs, explore multilingual text messaging, and maintaining a focus on diverse media tactics, including direct marketing to landlords in underserved communities.

To ensure emphasis on outreach to boost participation in RI Energy Efficiency Programs, the Company is working on developing I-Energy as the Company's data and metrics tracking, reporting, and billing tool. The Company is still on track to report out on key equity metrics in its Q3 2024 report.



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- 3) Strengthen Support & Collaboration w/ Community-Based Organizations (CBO):** To enhance collaboration with community organizations, it is critical to increase the funding available for community organizations to support energy efficiency outreach and education. RI EWG members suggested that the Company provide direct financial commitments in addition to the funding received by the Energy Efficiency Council and rate-payer funds. By significantly boosting financial support for organizations supporting energy efficiency outreach and marketing, similar to Massachusetts' Community First Partnership Program, the Company can elevate its capacity to engage and educate residents to increase participation in energy efficiency programs. Additionally, strengthening partnerships with these organizations such as the initiatives like the Central Falls Multi-Family Demonstration will help foster better communication to gather feedback to improve program effectiveness and impact. By hearing directly from landlords and rental property owners, the Company can identify and address barriers to participation and ensure clear communication on program eligibility, benefits, and application processes. This combined approach will help to improve program participation and overall community engagement, with a focus on underserved and underrepresented communities. This increased investment will further demonstrate the Company's dedication to address participation across its energy efficiency programs and will help ensure the effectiveness of critical outreach efforts.

With the addition of the Company's recently hired energy-efficiency consumer advocate, the RI EWG welcomed a handful of new members to increase participation and support from community organizations, including:

- **Ocean State Center for Independent Living (OSCIL):** OSCIL is a non-profit organization in RI dedicated to empowering individuals with disabilities to live independently. OSCIL provides various services, including advocacy, peer support, and resources to enhance the quality of life for residents with disabilities. In addition, OSCIL has developed a system for deaf and blind residents that allows these residents the ability to connect with a Consumer Advocate for assistance with utility bill payments. OSCIL also suggested posting American Sign Language (ASL) videos on their web pages and developing ASL materials for program announcements.
- **Office of Library & Information Services (OLIS):** OLIS provides resources and funding to all 48 branches of the public libraries in Rhode Island and will be able to disseminate resources and fliers to all of its libraries.
- **Providence Public Library:** The Library's Learning Coordinator for English as a Second Language (ESL), General Education Development (GED), and Refugees will work with Rhode Island Energy to help set up workshops and create materials for its energy efficiency programs and provide additional support to Justice40 Areas.
- **RI Community Food Bank:** The Rhode Island Community Food Bank is a non-profit organization dedicated to alleviating hunger and food insecurity across the state. They are a good fit for the RI EWG because they have deep connections with low-income and vulnerable communities who are often most impacted by energy inefficiencies. Their involvement can help bridge the gap between energy efficiency programs and those in

need, ensuring that energy efficiency programs and offerings are accessible to all and supporting broader efforts to address both food and energy insecurities. In addition, the Company will table at the First Annual Community Resource Fair and will be including program fliers into food boxes for residents.

- **One Cranston HEZ:** One of the many HEZs throughout the state, OCHEZ works to address health disparities and improve the quality of life for residents of Cranston, Rhode Island. As a member of the RI EWG, OCHEZ will bring valuable insights into local community needs and equity concerns, helping ensure that energy efficiency programs and resources are accessible.
- **City of Providence:** With the Senior Director of Constituent Services from the City of Providence joining the RI EWG meetings, her expertise in managing community relations and addressing constituent needs will be a key addition for the group. Her role in understanding and responding to local issues can help ensure energy efficiency programs and resources are aligned and communicated to residents. Working out of Mayor Smiley's office can help ensure that all Rhode Island Energy information and resources will be sent out through his office. In addition, another staffer at the city will coordinate with the Company to send out email blasts to 800+ non-profit organizations.
- **ONE Neighborhood Builders:** ONB is a Rhode Island-based non-profit organization focused on affordable housing, community development, and economic empowerment. As a member of the RI EWG, ONB would contribute valuable expertise in addressing housing needs and community development. Their involvement can help ensure that energy efficiency programs are effectively integrated into affordable housing initiatives, improve the quality of living in underserved neighborhoods, and support equitable access to energy-saving resources for low-income residents. In addition, ONB are the backbone agency to the Central Providence Opportunities Health Equity Zone (CPO-HEZ).

Rhode Island Energy Response:

The Company acknowledges and values the feedback from RI EWG members. In response to EWG member input, the Company may increase funding for Community-Based Organizations contingent upon final funding approval. The Company are looking at what budget they can commit to for 2025.

With the addition of Kate Felder, the Company aims to strengthen their collaboration with organizations like OSCIL, OLIS, and the Providence Public Library to ensure that outreach efforts are inclusive and effective. This includes coordinating with the City of Providence's Sustainability Department in advancing energy efficiency outreach through ongoing initiatives. Lastly, in preparation for equity metric reporting, the Company will work to ensure that maps and outreach metrics are being reported and distributed to stakeholders. The Company has begun tracking outreach metrics and will be utilizing Google Analytics to help track where referrals are coming from.

- 4) **Utilize URI Cooperative Extension's Housing Community of Practice & Integrate Energy Efficiency into Health Initiatives:** Collaborate with the Efficient Housing for all Community of Practice with Kate Venturini and URI's Extension Energy Literacy Initiative to address key issues outlined in the RI EWG Final Reports. This community will serve as a forum for discussing energy



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efficiency alongside related housing concerns such as affordability, energy burden, health and safety, accessibility, and language barriers. By leveraging Health Equity Zones (HEZ) and Community Health Workers (CHWs), integrate energy efficiency education into broader community health initiatives. Support efforts like the Energy Fellows Program and utilize and get inspired by resources such as URI's popular Environmental Garden Hotline to engage residents about the benefits of energy efficiency. Again, the Company is working with Connect4Health to train students in clinics to refer clients to energy efficiency programs offered by RISE and CAP agencies, ensuring a holistic approach to addressing both energy and health needs.

Please refer to the attached [HEZ Community of Practice: Leveraging Clinical-Community Partnerships to Improve Health Literacy for Communities of Color](#). This report focuses on enhancing health literacy through collaborative efforts between clinical and community-based organizations, with a focus on communities of color. The initiative aims to address health disparities by integrating community input and clinical expertise to create more effective outreach and education strategies. The Company can adapt and apply this approach to improve community engagement and accessibility across energy efficiency programs.

Rhode Island Energy Response:

The University of Rhode Island's proposal to develop and run the Efficient Housing for All Community of Practice has not been approved as of 9/3/2024. In addition, the proposal was decreased to \$91,000.

At the most recent Health Equity Zone (HEZ) Learning Community Event, Kate Felder worked with Kourtney Hudson, a Brown University student, to begin developing story maps with the HEZ across the state and will aim to help the Company build a map overlaid with HEZ and Justice40 layers.

Additionally, the Company is committed to strengthening partnerships with local healthcare networks to train community health workers on how to refer clients to energy efficiency programs. To ensure energy efficiency initiatives are effectively integrated into broader health and housing programs, the RI EWG and the Company will work closely with the Efficient Housing for All Community of Practice to share and implement recommendations and best practices.

Workforce Training & Resource Development

- 5) Continue to Expand Language Accessibility:** Develop a language access plan and support existing initiatives like CLEAResult's development of a Spanish curriculum for the 2024 International Energy Conservation Code (IECC) Update trainings. Ensure these resources are widely accessible to contractors and builders to enhance their understanding of energy codes and efficiency measures. This includes more than just Spanish translation (e.g., Portuguese, Creole) and should include end-to-end language support for residents and businesses.

To address member feedback, the Company should work with partners like RISE & CLEAResult to enhance the development of new resources and videos that can include tailored educational materials and training modules. The Company should clearly outline the specific pathways for

non-English speakers seeking information, similar to the new flier walking through a home energy audit. Hearing from direct service organizations like Progreso Latino and OSCIL will help refine and enhance the Company's approach to meeting the needs of all community members. The RI EWG also strongly recommends that the Company allocate funding for the development of American Sign Language (ASL) resources and videos.

RI EWG members suggested the Company develop a timeline to develop the language access plan and have it incorporated into the 2025 Annual Energy Efficiency Plan. Please refer to the [City of Providence Language Access Toolkit](#) as a local example.

Rhode Island Energy Response:

In Q3 2024, RISE updated the pathway for non-English speakers by adding a Spanish language option for scheduling home audits. The phone number and voicemail options were updated in July 2024. In addition, the Company is working with the Ocean State Center for Independent Living (OSCIL) on developing workshops about weatherization audits in American Sign Language (ASL).

The RI EWG Facilitator will assemble a subgroup of members to focus on developing the language access plan. The Company will need specifics on what kinds of trainings are necessary and materials to translate, including emerging languages to consider, interpretation and translation services, ASL, necessary equipment, and any other additional input from the subgroup to ensure that all aspects of language accessibility are thoroughly considered and effectively implemented.

- 6) Strengthen Partnership with Builders and Contractors:** Collaborate closely with organizations like Rhode Island Builders Association (RIBA) and CLEAResult to facilitate trainings that educate builders and other trades people on building science and energy efficiency requirements. Continue to focus on working with Minority- and Women-Owned Business Enterprises (MWBES) to ensure inclusive participation in available training opportunities. This will help foster a supportive environment where builders and contractors can adopt energy efficiency practices seamlessly into their work.

Rhode Island Energy Response:

The Company is integrating workforce development initiatives into the 2025 Annual Plan and working with the RI Hispanic Chamber of Commerce to promote the diverse training opportunities available. Through enhanced outreach, the Company will work with organizations that support and have relationships with MWBEs to increase awareness of the Small Business program.

Additionally, partnerships with One Neighborhood Builders and Habitat for Humanity will ensure that new construction adhere to energy efficiency standards. This comprehensive approach aims to foster a supportive environment where all builders and contractors, particularly those from underrepresented communities, can seamlessly adopt energy efficiency practices into their work.

Lastly, the PPL Supplier Diversity Team is engaging in efforts to hold a workshop for MWBEs across the state to connect them with state and national resources to become certified MWBEs.



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Additional Feedback

In order to improve the RI EWG, the Company and GHHI are always happy to take in feedback and constructive criticism. The following input was provided by RI EWG members representing the C-Team and Acadia Center:

- **Formalize an Onboarding Process for New Members:** Establishing a clear and structured onboarding process will ensure that new members are well-informed about the EWG's history, goals, and expectations. This approach provides them with essential resources and a thorough understanding of the EWG's mission and their role within it, which in turn can boost confidence and ability to contribute effectively – especially for members who join later in the year. By leveling the playing field and setting clear expectations, we can enhance participation, foster engagement, and ensure that new members are seamlessly integrated into the working group.
- **Selecting a Standing Time for Meetings:** Selecting a standing time for meetings offers significant benefits by establishing consistency, making it easier for members to coordinate and plan around. This regularity can improve attendance and engagement, as participants can integrate the meeting into their routines and prioritize it accordingly. It also streamlines scheduling by eliminating the need for constant coordination of times, thus saving time and reducing scheduling conflicts. Moreover, a fixed meeting time enhances preparation, and the RI EWG can do the same for the agenda-setting meetings to occur 2-3 weeks before each meeting. In addition, meetings will last 60 minutes, instead of 90 minutes.
- **Restructuring the RI EWG:** There would be a lot of value to structuring the RI EWG meetings around specific topics, similar to what the Massachusetts Energy Efficiency Advisory Council has done. Focusing on specific topics at each meeting allows a deeper focus and discussion and the opportunity to invite experts on the specific topics. The RI EWG has done this in the past with topic-specific meetings, and GHHI and the Company are happy to reconsider returning to this format based on additional member feedback. They suggested the following:
 - Rental Properties
 - Community Partnerships (e.g., All in Energy)
 - Language Access
 - Small & Micro Businesses
 - Workforce Diversity
 - Customer Journey Walkthrough
- **Enhancing Meeting Notes:** To improve meeting notes, GHHI will look to adopt a meeting notes structure similar to the [Massachusetts Energy Efficiency Advisory Council](#). Current meeting notes, while extensive, can be difficult to understand for those who did not attend the meeting. Providing more in-depth summaries and member feedback can help ensure that key discussions and decisions are well-documented and accessible to all members.
- **Inviting More Community Groups and Residents:** The RI EWG has continued to face issues with recruiting community and resident members not affiliated with an organization, such as a renter or community-based organization. Through more direct outreach, GHHI and Rhode Island Energy will continue to promote and recruit resident members to the RI EWG. This includes

recruiting at community-based meetings, including OneNeighborhood Builders Central Providence Opportunities Health Equity Zone (CPO HEZ).

Based on member feedback, GHHI will work with the Company and EWG members to restructure the group, including establishing specific agenda topics for each meeting and a consistent meeting schedule for the remainder of the 2024 meetings and 2025 meetings. This approach will enhance member engagement, streamline scheduling, and allow for deeper, topic-specific discussions.

Conclusion & Future Direction

Throughout 2023, our focus highlighted the critical need for enhanced transparency and tracking of equity-related metrics – a concern consistently voiced by RI EWG members. We recognized the demand for a more detailed breakdown of data and investments in the Company’s quarterly Equity Update Reports to better fuel meeting discussions, help set meaningful metrics, and further refine recommendations and strategies.

Building off the progress established in 2023, 2024 has seen a concentrated effort to implement the recommendations and strategies outlined in the Year 3 Final Report while ensuring equity metrics and the tracking systems are being developed and tracked. A key milestone for the RI EWG in 2024 was the significant progress made in selecting and finalizing the equity metrics that the Company will begin to track and report on later this year. This achievement marks a crucial step in the Company’s commitment to transparency and accountability, ensuring that its efforts are aligned with the real needs of our communities. The development of these metrics will provide a clearer and more detailed picture of the Company’s equity-related outcomes. Alongside this, the RI EWG has crafted new recommendations for 2025 that build on this momentum, aiming to refine and enhance strategies.

In addition, we have also prioritized making the RI EWG as effective a forum as possible for discussing equity issues relevant to the Company’s energy efficiency programs. Our commitment to fostering a collaborative environment has led to an increase in member involvement, more robust discussions, and actionable recommendations. By actively engaging with members and integrating their feedback, such as the RI EWG Agenda Setting Meetings, we aim to ensure that member priorities and equity considerations are thoroughly addressed and embedded into meeting agendas and recommendations. Furthermore, as we look to increase transparency around the RI EWG, the Company should consider dedicating a webpage for the group to post meeting notes, working group members, bylaws, and other relevant reports and documents - similar to the practices utilized by the [Energy Efficiency Council](#).

As we look ahead to 2025, our focus will be on implementing the strategic enhancements identified in 2024 and deepening our collaboration with community-based organizations and Health Equity Zones to broaden outreach and boost participation in the RI EWG and across the Company’s energy efficiency programs.



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Acknowledgements

The Green & Healthy Homes Initiative (GHHI) would like to thank:

- All the Rhode Island advocates that have continuously pushed the Company to develop, implement, and deliver their energy efficiency programs more equitably and that resulted in the Company's continued commitment to hosting this Equity Working Group.
- The Company for co-hosting the RI Equity Working Group.
- Each of the EWG members for their participation and engagement through the process
- Each non-EWG member that devoted time to providing their perspective.

Appendix

About GHHI

The Green & Healthy Homes Initiative (GHHI) is a national organization with the mission dedicated to addressing the social determinants of health and the advancement of racial and health equity through the creation of healthy, safe and energy efficient homes. By delivering a standard of excellence in its work, GHHI aims to eradicate the negative health impacts of unhealthy housing and unjust policies for children, seniors and families to ensure better health, economic and social outcomes for low-income communities of color. The vision of our work is to advance health and racial equity through healthy housing, with a focus on limited-income communities of color.

GHHI is the largest healthy homes organization in the country, operating in over sixty-five communities and states, focused on improving housing quality and establishing public-private partnerships that allow local governments to efficiently and effectively utilize resources related to housing. GHHI has worked to design and implement policies and programs at the federal, state, and local level that promote healthy, energy efficient, and climate friendly housing. In Rhode Island, GHHI aligns and braids housing, health, and energy efficiency resources to offer a holistic set of services to meet the housing needs of families and children, offers healthy homes training for Spanish-speaking contractors in partnership with the Rhode Island Builders Association, manages HUD's Lead Hazard Control Grants for Rhode Island Housing and the City of Providence, partners with the West Elmwood Health Equity Zone and local healthcare partners to deliver a 180 unit healthy homes program to reduce the number of asthma-related pediatric emergency department visits and inpatient hospitalizations throughout the city of Providence.

EWG Guidelines and Expectations

Below are the guidelines and expectations that guided each EWG meeting. Meeting attendees shall:

- Make every attempt to attend every meeting on time
- Share the oxygen – ensure that all participants who wish to have an opportunity to speak are afforded a chance to do so
- Listen to other points of view and try to understand differing viewpoints and other interests

- Maintain a focus on collaboration and solutions
- Share information openly and respectfully
- Make sure information given is accurate
- Remain flexible and open-minded
- Review meeting notes and documents prior to next meeting
- Respect the privacy of the meeting
- Meeting notes are for participants only
- What is said during meetings is important, who said it is not
- Make sure information given is accurate
- Remain flexible and open-minded.

Year 4 (2024) Meeting Notes & Member Spotlights

Year 4 Kickoff Meeting – January 30, 2024

The kickoff meeting for the Rhode Island Energy Working Group (RI EWG) set the stage for a collaborative 15-month process aimed at refining and advancing energy efficiency strategies for the 2025 Annual Energy Efficiency Plan. The RI EWG's role is to engage communities and organizations in providing ongoing feedback and input on energy efficiency programs. The group focuses on refining strategies, metrics, and recommendations based on past progress and member feedback.

RI EWG Key Meeting Notes & Member Feedback:

Throughout the meeting, working group members reviewed Year 3 Recommendations, Strategies, and Metrics (Please find Year 3 Recommendations, Strategies, and Metrics in the Appendix). Key points included the need to deepen discussions on metrics and reporting, address participation barriers, and enhance community outreach. RI EWG members also expressed interest in seeing the Company increase involvement with underserved communities and hearing directly from the Company's Consumer Advocates. Members voiced concerns about current budget allocations and the effectiveness of outreach efforts, while also discussing potential funding opportunities and strategies for pre-weatherization and multifamily housing barriers. This included the RI Department of Environmental Management (RI DEM) and the Green & Healthy Homes Initiative (GHHI) discussing about the Environmental Protection Agency's (EPA) funding opportunities, including the Climate Pollution Reduction Program and Community Change Grant. These two funding opportunities would allow RI DEM and GHHI to address pre-weatherization barriers throughout the state.

Rhode Island Energy then highlighted updates on various equity challenges and progress on recommendations, including the development of new metrics and the expansion of outreach initiatives. Below is a table of each key equity issue and challenge with updates from Rhode Island Energy. Moving forward, the RI EWG will focus on leveraging feedback to refine recommendations and dive deeper into the metrics and reporting.

Key Issue 1: Participation Barriers

The Company's energy efficiency programs continue to experience low participation rates among BIPOC and low-to-moderate income (LMI) residents



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Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date from Rhode Island Energy (as of 1/30/24)
1) Increase participation rates from residents living in the 5 Equity Communities across the EnergyWise and IES Programs	1) Build a network of X community-based partners that provide programs and services in the 5 equity communities, with most of these partners being women or BIPOC-led	<ul style="list-style-type: none"> The Company will define the communities they want to track, gather baseline data, and potentially invest in automation
2) Offer Home Energy Assessments (HEAs) in at least 4 languages other than English with the resulting Home Energy Reports translated in the household's primary spoken language by the end of 2024	2) Develop a Marketing & Outreach Strategy with selected partners to outline opportunities and best practices	<ul style="list-style-type: none"> Spanish assessments currently do exist The Company uses a translator service for other non-English or non-Spanish speaking households Potential reporting: how often the translator service is used, how many Spanish assessments are used, etc. This can help decide the cost vs benefit of adding a language vs staying with the translator service.

Key Issue 2: Multifamily Barriers

Multifamily housing has always been a difficult area for energy efficiency program implementers to reach due to multiple issues including the split incentive issue between landlords and tenants

Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date from Rhode Island Energy (as of 1/30/24)
1) Increase participation rates among EnergyWise Multifamily and Income Eligible Multifamily Programs statewide, with a focus on the 5 Equity Communities and/or Justice 40/EJ Communities.	1) Develop a strategic plan with landlords/MF property owners with detailed examples of how RIE will serve and reach MF landlords 2) Continue to work with the RI EWG to support the Equity Demonstration, 3) Leverage additional funding to increase the funds available for partnering community-based organizations 4) Partner with tenant-rights organizations to develop resources to better reach tenants 5) Coordinate with RIDOH on the development of a rental registry	<ul style="list-style-type: none"> Carinel LeGrand will be leading a new Residential Equity Outreach Assessment initiative in Central Falls to increase engagement with MF landlords and renters. The Company will continue to look for opportunities to scale and pursue outside funding sources
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.		<ul style="list-style-type: none"> The Company needs to do more research and gain a better understanding of the cost-benefit as currently, there isn't an exhaustive list of measures renters can take without landlord involvement

Key Issue 3: Weatherization Deferrals

The presence of housing conditions that prevent or defer enrollment in weatherization programs in RI are common. RISE reported of the 11,930 homes receiving assessments through Q2 of 2023, 54 percent of those households had pre-weatherization barriers, and only 24.6 percent of those barriers were resolved.

Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date (as of 1/30/24)
1) Close the gap in the Conversion to Weatherization ratio between EnergyWise and IES programs by XX% over the next XX months	1) Strategically align, braid and leverage additional Healthy Homes (e.g. lead), and other programs to address housing conditions that result in Wx deferrals 2) Work with partners to explore and secure new sources of housing rehabilitation funding (e.g., RGGI) that can be used to make units weatherization (and ultimately electrification) ready.	<ul style="list-style-type: none"> The Company needs to do more research and are looking for ways to address pre-Wx barriers Data tracking is a lever: types of barriers, frequency, location, remediation money being spent on the IE side
2) Continue to leverage and provide additional funding for pre-weatherization barrier remediation	3) Compare follow through rates by geographic area, income level, and other factors (e.g. language). This can help inform how new funding that is identified is allocated to high need areas	<ul style="list-style-type: none"> The Company is conducting tests with IE-heat pump work. They are coordinating with RI OER on additional IRA funding
3) Engage with the new State Department of Housing, city/town code officers, and/or housing courts.		<ul style="list-style-type: none"> The Company can look to begin engagement with the new State Department of Housing this year

Key Issue 4: Workforce Development

The RI EWG continues to have discussions and develop recommendations on equitable workforce development and training opportunities to better serve and work with Minority & Women Owned Business Enterprises (MWBEs). The Company must focus on building a skilled workforce that better reflects the communities that it serves.

Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date (as of 1/30/24)
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%	1) Host biannual workshops for contractor businesses in order to increase 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	<ul style="list-style-type: none"> The Company needs to establish a baseline to track their vendors
2) Increase # of and capacity of minority contractors by XX% in 2024 (create multi-year targets)	4) Study the success in achieving retention in both training and job placement within the RCWP to ensure program effectiveness and address barriers	<ul style="list-style-type: none"> The Company needs to establish a baseline to track their vendors



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3) Increase the # and size of contracts awarded to MWBEs who conduct energy audits and weatherization services by XX% in 2024.	5) Assess the Company's relationship with MWBEs	<ul style="list-style-type: none"> The Company is looking into the feasibility of how PPL awards contracts. The Company will work with the Supplier Diversity Team.
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Key Issue 5: Microbusiness & Small Businesses

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

Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date (as of 1/30/24)
1) Leverage findings from the 2023 Small Business Process Evaluation to improve program strategy	1) Increase the # of Main Street efforts conducted in zip codes with lower historical participation.	<ul style="list-style-type: none"> The Company leveraged the findings from the 203 SBPE to improve program strategy in its 2024 Plan
2) Conduct Main Street efforts in all five communities identified in the 2024-2026 EE Plan Narrative	2) Include efforts to serve small businesses as part of the new Community-based initiative	<ul style="list-style-type: none"> The Company increased Main Street outreach efforts in all 5 equity communities in 2024. To add on, the Company currently has 10 CBOs connected to the 5 equity communities and planned outreach
3) Develop translated program materials, as suggested in the SBDI Process Evaluation	3) Retain financing offers for small-business customers to overcome upfront cost barriers 4) Make concerted efforts to increase participation in programs by MWBE contractors 5) Continue to seek multilingual staff in all aspects of program implementation 6) Translate all program materials to languages other than English which have a high prevalence in underserved communities. 7) Provide language access services, support, and materials during Main Streets	<ul style="list-style-type: none"> The Company is currently seeking multilingual staff for Main Street outreach in 2024 and has developed translated program materials

Key Issue 6: Metrics Tracking & Reporting

Based on RI EWG member feedback, the Company should significantly strengthen its equity-related data collection and reporting on key metrics ties to RI EWG recommendations

Recommendations	Strategies to Implement Recommendations	Updates & Progress to Date (as of 1/30/24)
1) Through Q4 2023, work with the RI EWG and the Company to come to an agreement on 2024 metrics and targets the Company can commit to tracking and achieving.	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	<ul style="list-style-type: none"> The Company will adopt selected metrics at the end of Q1 2024. By Q2 2024, the Company is committed to having a handful of adopted metrics that they can begin to track – based on member feedback and priorities

RI EWG Meeting #2 – February 27, 2024

Based on the Kickoff Meeting, GHHI set up a breakout group activity using a [Miro Board](#) for EWG members to identify priorities and highest impact metrics. Emily Koo, Acadia Center, provided an example to demonstrate the process. To begin, RI EWG members were divided equally into 5 groups to each address a key equity issue. RI EWG members were able to provide feedback for the Company to further assess after the meeting and narrow down the list of strategies and metrics to work through.

Below is a summary of the report outs for each group. Refer to the [Miro Board](#) for more details on each group's matrix.



Figure 1: An example of the Miro Board used during the breakout activity

- Group 1: Participation Barriers
 - This group discussed the need to focus on developing a base of community-based partners that can serve as key referral partners in the system. This also includes ensuring these partners have sufficient resources and information to effectively refer clients.
 - Referrals alone are not enough, but follow-throughs are.
 - Members discussed the cycle of weatherization participants getting deferred due to home repair and health/safety issues – leading to the thought of a tracking system that refers people through various programs and agencies to achieve the outcomes we are looking to achieve.
 - The group also highlighted the need for increased transparency in the resources Rhode Island Energy is devoting to outreach and engagement – where are these dollars spent in these communities?
- Group 2: Multifamily Barriers
 - This group positioned their Miro Board based on Providence, RI residents
 - Strategy 1 was placed as the highest impact. The group strongly believes that one of the largest barriers is reaching those tenants and MF landlords. There is still such a lack of awareness and education, and there needs to be a motivational component/incentive. The group also discussed the potential need to incentivize tenants to get additional benefits – this may help with the split incentive issue.
 - Margie L also heard that landlords are nervous to engage with energy efficiency programs in fear that they may need to address any health/safety issues that arise from those assessments and bring their buildings up to code. The community-based strategy and engaging the local regulatory agencies can be a great strategy to add into the mix too.
- Group 3: Pre-Weatherization Barriers



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- This group prioritized Strategy 1 around strategically aligning, braiding, and leveraging additional home repair, healthy homes, and energy efficiency programs and funds.
 - This can help with the deferral rates from weatherization programs due to issues like lead or mold.
- The group also prioritized Strategy 2 as high to work with partners and secure new sources of housing rehabilitation funding to address pre-weatherization issues. There are a ton of climate dollars coming down and need to ensure partners are working collaboratively.
- Strategy 3 was also ranked a high priority to ensure that Rhode Island Energy is looking at data and doing the analysis across different geographies to measure impact in Justice 40 Communities.
- The group also added the idea of integrating pre-weatherization into other existing programs like Clean Heat RI to clear barriers. GHHI Trenton has been working with their Weatherization providers to handle deferred weatherization units and address the health and safety barriers before re-enrolling these units back into the weatherization program. GHHI Rhode Island is actively working on replicating this model with its Healthy Providence Healthy Homes Program.
- Group 4: Workforce Development & Training
 - In this group, Strategy 3 (Continue to fund workforce development partnerships) rose to the top. This is vital to increase the participation of MWBEs.
 - Strategy 1 (Host bi-annual workshops to support businesses in becoming a certified MWBE) rose to the top as well. In addition, the group discussed going beyond these workshops and providing continued support for these businesses to become successful.
- Group 5: Small & Micro Businesses
 - While we did not have a dedicated group for this topic, Adrian Caesar was able to provide initial thoughts and feedback on this section.
 - Adrian discussed that Strategies 1, 2, and 3 are impactful. Small business customers are interested and are aware of the improvements they can make, but upfront costs are still a barrier. Plus, many small business customers are not decision makers, and the Company will need to figure out how to engage property owners and decision makers to address this.

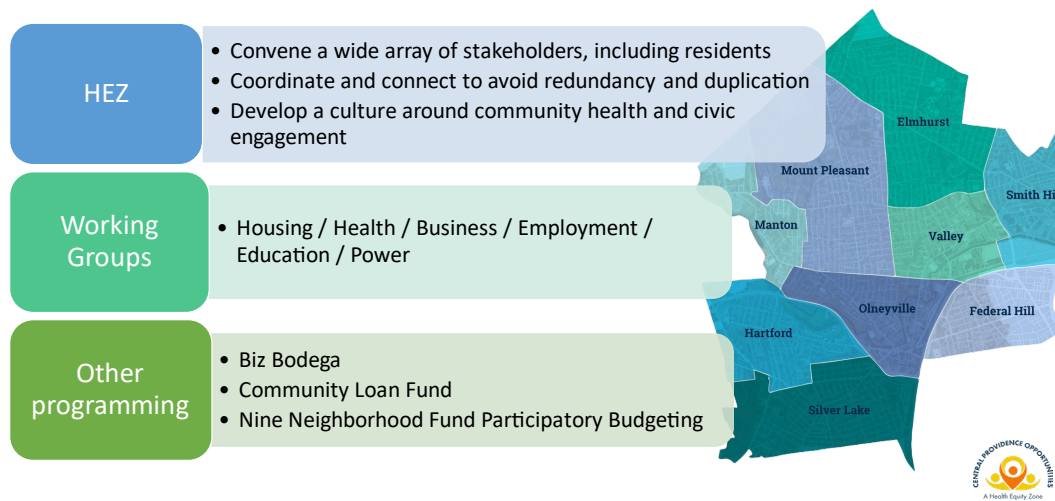
RI EWG Meeting #3 – March 27, 2024

Introducing a new standing agenda item, the meeting began with a Member Spotlight where the group highlighted the contributions and work of Eloi Rodas, Community Organizer at One Neighborhood Builders, the backbone agency for the Central Providence Opportunities Health Equity Zone (CPO-HEZ).

RI EWG Member Spotlight: Eloi Rodas, One Neighborhood Builders/Central Providence HEZ

In Rhode Island, Health Equity Zones (HEZ) are community-based initiatives aimed at reducing health disparities by addressing the social determinants of health (SDOH). HEZ target specific neighborhoods or regions with high rates of poverty, chronic disease, and other health challenges and works to convene a wide array of stakeholders, including residents, to be more involved and work to address key SDOH needs. Through collaboration among local organizations, HEZ focus on improving access to healthcare, promoting healthy lifestyles, and addressing factors such as housing, education, and employment that impact health outcomes.

The Health Equity Zone of Central Providence (CPO-HEZ)



Eloi also spoke about the Resident Advisory Council (RAC) that he oversees and discussed opportunities to bring the RAC and RI EWG closer together as we look to grow our resident membership. One potential opportunity that the RI EWG and the Company can better support is creating more awareness of energy efficiency services as these topics do not naturally come up in their workshops but are a much-needed resource for a lot of Central Providence residents. GHHI and the Company will continue to work with Eloi and the RAC to learn from their residents, as well as provide opportunities for collaboration and more resident involvement.

Following the Member Spotlight, GHHI provided a brief overview of Meeting #2 and the breakout group activity. Afterward, Brendan Dagher provided an in-depth walkthrough of the adopted seven equity metrics and ten equity strategies to track and focus on throughout 2024. Below is a table of the selected metrics and strategies, accompanied by RI EWG member comments and feedback.

Equity Category	2024 Equity Metrics	2024 Equity Strategies
Participation Barriers	1) % of Home Energy Audits Completed a. Broken down by Justice40 v. non-Justice40 communities for single-family programs (EnergyWise, IES) b. Broken down by renters vs non-renters for single-family programs 2) % of Weatherization Projects Completed	1) Build a network of community-based partners that conduct marketing and outreach and provide programs and services in the 5 Equity Communities



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	<p>a. Broken down by Justice40 v. non-Justice40 communities for single-family programs (EnergyWise, IES)</p> <p>b. Broken down by renters vs non-renters for single-family programs</p>	
EWG Member Comments	<ul style="list-style-type: none"> To help increase participation, the Company will need to keep tabs with community-based organizations on whether increased referrals are a result of the resources provided to them Margie L.: When it says % completed, what exactly is being measured? The idea is to take the number of energy audits within a community and get that number as a percent of the total energy audits completed. Another way the Company can look at that is the percentage of energy audits completed in Justice40 communities as a percent of the total amount of energy audits in the program vs. non-Justice40 communities. Language access is a significant participation barrier – has there been any consideration of a language access metric of any kind? The Company did discuss this, however, they did not land on this as a metric to commit to now. However, the Company will revisit this metric and will look toward building it out in the future Emily K: I see the percentages as a distributional equity tool – what percentage are in Justice40 communities, what percent of the total are serving renters vs non-renters? Margie: One thing to flag is why the language access metric is important. Even if someone in a Justice40 community gets served, it does not mean they are an underserved population. There is a likelihood that a big percentage of people in Justice40 communities are not in an EJ-specific population (e.g. income). 	
Multifamily Barriers	<p>3) % of Home Energy Audits Completed</p> <p>a. Broken down by Justice40 v. non-Justice40 communities for multifamily programs (EnergyWise MF, IES MF)</p> <p>4) # (can also show % of total) of Weatherization Projects Completed broken down by Justice40 vs non-Justice40 communities.</p>	<p>2) Develop a strategy plan with landlords & multifamily (MF) property owners with detailed examples of how the Company will serve and reach MF landlords</p> <p>3) Coordinate with RIDOH on the development of the rental registry</p>
EWG Member Comments	<ul style="list-style-type: none"> Barriers: Lack of awareness and fear from landlord/tenants to engage with programs as it may uncover health, safety, and other code violations A potential strategy could entail reviewing the offered services for renters and multifamily owners and if there is a chance to offer more to address their specific needs. Is the Company maxing out incentives for this segment? Can the Company create new incentives for measures that are of interest to multifamily owners. There is currently no funding source to stand up the rental registry. <u>Update:</u> The Rhode Island Department of Health (RIDOH) continues to advance the development of a statewide rental registry. The state house has approved funding for the registry, and Governor McKee has signed the budget into law. The rental registry aims to enhance transparency and oversight in the rental market and address key issues such as lead hazards in properties across the state. 	
Pre-Weatherization Barriers	<p>5) % of Audits w/ Pre-Weatherization Barriers Detected</p> <p>a. Broken down by pre-weatherization barrier type for EnergyWise single-family programs</p>	<p>4) Work with partners to strategically align, braid, and leverage healthy homes programs</p>

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	b. Broken down by Community Action Program service territory for IES single-family programs	to address pre-weatherization barriers 5) Work with partners to explore and secure new sources of housing rehab funding
EWG Member Comments	<ul style="list-style-type: none"> • Can the Company determine if a customer where a pre-weatherization barrier has been identified eventually weatherizes? The Company can track this and has data for pre-weatherization barriers on the EnergyWise Single-Family Program and is working on it for the Company's IES Single-Family Program. • The Company has been in discussion with GHFI on the align, braid, and coordinate model to better leverage programs to address pre-weatherization barriers and will continue to pursue these opportunities. 	
Workforce Development	<p>The Company will continue to work with the PPL Supplier DEI team in 2024 to explore what is possible</p> <p>To better support MWBEs, The Company can host workshops beginning in late 2024, early 2025</p>	<p>6) Continue to fund workforce development partnerships</p> <p>7) Host workshops for contractor businesses to increase availability and support for vendors to become certified MWBEs</p>
Microbusiness & Small Business	<p>6) % of Eligible Customers Participating in Small Business Direct Install</p> <p>a. Broken down by Justice40 v. non-Justice40 communities</p> <p>7) % of Commercial & Industrial Participation</p> <p>a. Broken down by consumption category</p>	<p>8) Increase the number of Main Street efforts conducted in zip codes with lower participation</p> <p>9) Retain financing offers for small business customers to overcome the upfront cost barrier</p> <p>10) Include efforts to serve small businesses as part of the Central Falls community-based initiative</p>
EWG Member Comments	<ul style="list-style-type: none"> • Adrian: For Metric 6, at what level will this be represented? The Company can track whatever the EWG thinks would be most useful and appropriate. • Adrian: if the data is available and reportable, it would make sense to report it for each community, rather than aggregate. This can be a great benefit to be more targeted in the Company's efforts. • Mark S: Agrees with that breakdown on what is most impactful to track. The one thing to circle back on, the Company has increased the number of Main Street campaigns from 4 to 7. Mark also posed to the group that rather than thinking about the number of Main Street efforts, the Company would rather focus on increasing engagement with community groups to grow participation in the small business program across all of RI, not just these targeted Main Street events that are only 1 week each year. • Engaging with these local partners and community-based organizations can be more effective. • Adrian: Asked the Company about their Energy Efficiency Consumer Advocate and if that role can play a similar role for the small business program. Mark is exploring this opportunity with his team and wants to better understand how the advocate works in the residential sector. 	

Following the discussion around the selected equity metrics and strategies, the Company reviewed the feedback, addressed any remaining questions and concerns, and looked to formally adopt the equity metrics and strategies for the remainder of the year. Lastly, the Company began to set up the reporting



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processes and templates to report out on the new equity metrics. The Company set a target date to report out these metrics by Q3 2024.

RI EWG Meeting #4 – June 4, 2024

To gather direct input from RI EWG members while developing agendas for meetings, GHHI began hosting agenda-setting meetings. These meetings provide members with an opportunity to contribute their input and shape the agenda to better align with member expectations. For example, during one of these meetings, RI EWG members expressed their support and enthusiasm for the Member Spotlights. Building off that piece of feedback, GHHI invited a panel of RI EWG members to spotlight:

RI EWG Member Spotlight:

- Kate Venturini, URI Extension Energy Literacy Initiative: Kate is the Programs Administrator, Extension Educator at the University of Rhode Island's Cooperative Extension Energy Literacy Initiative. Kate provided an insightful presentation on her role in disseminating scientific and energy literacy information to the public and working with the Energy Efficiency Council, formerly the Energy Efficiency Resource & Management Council (EERMC). Kate also highlighted the HEZ initiative, which aims to address the social determinants of health (SDOH) and health disparities by creating resilient, healthy communities through local partnerships and community engagement. Building on her work with the EEC, Kate discussed plans to form a Housing Community of Practice to address specific issues raised in RI EWG meetings and shared a handful of upcoming events where her team will be hosting workshops to hear directly from community health workers and other relevant stakeholders throughout the state on energy efficiency. These events included the July 29th HEZ Learning Community Even and the Plugged into Energy Research Lecture Series that is being hosted again this Fall. Kate and her team will be working in closer collaboration with the Company to advance these efforts.

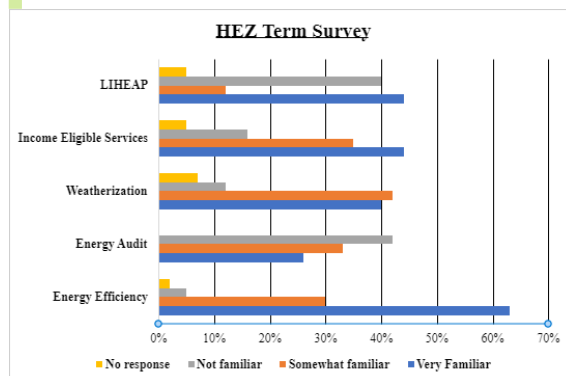
HEZ Learning Community Workshop (Phase I) August 10, 2023 @ Rhode Island College

80 participants • 10 breakout groups

HEZ Learning Community Workshop (Phase II)

July 29, 2024 @ Crowne Plaza Hotel

Pre-workshop survey results



Sample workshop discussion questions

How could new / existing programs be designed / updated and administered differently to better serve your community?

What actions are you willing to take to bring resources to your community (e.g. distribute informational materials, host a program sign up event, etc)?

- Brian Kearney, RISE Engineering: Brian is the Director of Residential Services at RISE Engineering and started off his presentation emphasizing the need to extend outreach and education efforts beyond already engaged stakeholders, such as this group, to reach those totally unfamiliar with energy efficiency services and solutions. He highlighted the importance of connecting with residents who may not fully understand the benefits of weatherization and energy efficiency improvements, noting that everyone, whether renting or owning, experiences issues like cold spots or high utility bills. Brian also detailed various financial incentives, including up to 75% off weatherization for oil/gas heating homeowners, 100% off for electric heat homeowners, and \$4,000 per unit for landlords and renters. He also discussed the Rhode Island 0% Financing Program for high-efficiency upgrades and Clean Heat Rhode Island's incentives for electric heat pumps. In response to a question, he clarified that the \$10,000 weatherization incentive does not cover pre-weatherization barriers, but many barriers can be financed up to that amount, with an additional \$250 stipend available for specific barriers. The Company, GHHI, and partners continue to discuss funding and program opportunities to address pre-weatherization barriers.
- Karen Verrengia & Jon Erickson, CLEAResult: Karen & Jon from CLEAResult provided an overview of their roles in overseeing new construction programs throughout Rhode Island, including inspecting and testing new homes and consulting with builders on best practices and code updates on building science. To prepare builders for the new energy codes and big jumps in energy efficiency criteria, CLEAResult is developing a Train the Trainer series for the 2024 IECC Update. CLEAResult is also working on offering this training series in Spanish and will offer compensation to trainers. In addition, CLEAResult also works with the CAP agencies and helps oversee the Income Eligible Services (IES) Programs and has experience with seeing a lot of pre-weatherization barriers that forbid residents from participating.

2025 Priorities Discussion

To integrate and adopt the selected EWG strategies into the 2025 Plan, the Company and GHHI facilitated a discussion on identifying effective recommendations and addressing key priorities.

RI EWG members dived deeper into ways to enhance community-based approaches, suggesting a significant increase in the budget for supporting community organizations, similar to Massachusetts' Community Partnership Program. As stated in Year 3, the Company committed a \$40,000 budget for supporting community organizations that perform outreach support, however, Massachusetts' Program offers up to \$85,000 for each community organization. RI EWG members also requested the Company to invite the community organizations involved in the Central Falls Multi-Family Demonstration as well as the Consumer Advocates and staff that are attending the Company's outreach events to hear directly about how the events are going and provide potential solutions to improve outreach efforts.

Discussions also highlighted the need for more targeted services for small and micro businesses, with a suggestion for a dedicated Consumer Advocate role that can provide more targeted, effective efforts in underserved communities. Another member emphasized leveraging the Health Equity Zones and Community Health Workers throughout the state to educate and promote energy efficiency. Kate Venturini expressed her desire to have these types of outreach efforts supported by the Energy Fellows



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Program to further engage residents and businesses on energy efficiency. Lastly, Carinel from the Company discussed the collaboration with Connect4Health to train students to refer clients to RISE and CAP agencies. These types of efforts are impactful and help address gaps in outreach and awareness and can increase engagement with residents and businesses to participate in energy efficiency programs.

Based on these discussions, the Company and GHHI will internally debrief as the Company prepares to submit its first draft of the 2025 Annual Plan in early June, with additional drafts due in August and September. In Meeting #5, RI EWG members will review the 2024 Recommendations and continue to work on developing new and updated recommendations for inclusion in the 2025 Annual Plan.

RI EWG Meeting #5 – July 17, 2024

As a result of member feedback, the RI EWG invited three staff members from the Company, including two Consumer Advocates.

RI EWG Member Spotlight:

- Kate Felder & Sulman Pino Brand, Consumer Advocates, Rhode Island Energy: Consumer Advocates work across communities with low-income customers in need and play the following roles:
 - Identify and enroll income-eligible customers in low-income rates and energy affordability-related offers at local CAP agencies, city halls, community events, and RIE's Customer Expos
 - Work with the CAP agencies and other advocacy and service organizations to ensure customers are fully utilizing all available programs and services. They meet monthly to discuss challenges and opportunities
 - Serve as a conduit between CAP agencies and Rhode Island Energy
 - Serve as a liaison between the customer and Rhode Island Energy

Customer Advocate Outreach

- Where we work



Customer advocates work in the community. You can find us at your local CAP or at one of our monthly customer expos.

- Sulman works with customers to get them qualified to receive the low-income rates (A60 Rates) and works with these customers to help pay their bills. One of the best payment agreement options they have is their [Forgiveness Payment Plan](#) where if a customer has at least \$300 in their balance more than 60 days past due, they may be eligible to receive up to \$1,500 every twelve months. Kate, a more recent hire, will provide direct customer support and support outreach and marketing efforts for residential energy efficiency customers. In addition, Consumer Advocates will refer customers to other organizations for additional support including down payment assistance (e.g., 211 United Way, San Vincent de Paul, Salvation Army).
- Carinel LeGrand, Program Manager, Rhode Island Energy: Carinel provided updates on the new customer bills that may have confused customers and provided an update on program metrics including completing 72 heat pump installations and approving 40 rush orders for customers waiting for their new appliance. Regarding workforce development, CAPP is almost fully trained with all its auditors and BVCAP is working towards being fully staffed and has begun receiving support from RISE to assist customers in Pawtucket, Central Falls, Woonsocket, and parts of Cumberland. In regard to community engagement and outreach efforts, Carinel provided the following updates:
 - The Company has contracted with Progreso Latino to host two events before the end of 2024 to hear directly from landlords on barriers to accessing the Company’s energy efficiency programs to better improve the process for engaging and servicing the community of Central Falls. Best practices can be brought to other communities to service the entire state.
 - The Company has begun co-branding materials with Progreso Latino to increase awareness and build trust with community residents.

Before handing it off, Carinel provided her perspectives as a newer member of the RI EWG and expressed how valuable and informative these meetings have been for her. From hearing directly from members on issues like language accessibility, Carinel started working with CAP agencies to enhance language translations in their contracts and resources – including updating materials to Spanish, Portuguese, etc. In addition, the Company has updated its language options and now includes Spanish as an option if a customer calls the Rhode Island Energy number.

Equity Metrics & Strategies Updates – Rhode Island Energy

During Q1 of 2024, Rhode Island Energy committed to developing a number of different metrics to measure its performance and equity across its suite of programs. Pictured below are the updates as of 7/17/2024 presented by Brendan Dagher for both 2024 Equity Metrics and Equity Strategies.

Equity Category	2024 Equity Metrics	Status as of 7/17/2024
Participation Barriers	1) % of Home Energy Audits Completed a. Broken down by Justice40 v. non-Justice40 communities for single-family programs (EnergyWise, IES) b. Broken down by renters vs non-renters for single-family programs	Metrics are currently tracked by zip code. Work to create Justice40 tracking capabilities kicked off in June.



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	2) % of Weatherization Projects Completed a. Broken down by Justice40 v. non-Justice40 communities for single-family programs (EnergyWise, IES) b. Broken down by renters vs non-renters for single-family programs	
Multifamily Barriers	3) % of Home Energy Audits Completed a. Broken down by Justice40 v. non-Justice40 communities for multifamily programs (EnergyWise MF, IES MF) 4) # (can also show % of total) of Weatherization Projects Completed broken down by Justice40 vs non-Justice40 communities.	Metrics are currently tracked by zip code. Work to create Justice40 tracking capabilities kicked off in June.
Pre-Weatherization Barriers	5) % of Audits w/ Pre-Weatherization Barriers Detected a. Broken down by pre-weatherization barrier type for EnergyWise single-family programs b. Broken down by Community Action Program service territory for IES single-family programs	Conversations are ongoing with Lead Vendors to understand and align data tracking systems and methodologies. Currently identifying requirements for standardized pre-weatherization barriers reporting.
Workforce Development	The Company will continue to work with the PPL Supplier DEI team in 2024 to explore what is possible	Discussions began with PPL Supplier Diversity Team in Q2 2024.
Microbusiness & Small Business	6) % of Eligible Customers Participating in Small Business Direct Install a. Broken down by Justice40 v. non-Justice40 communities 7) % of Commercial & Industrial Participation a. Broken down by consumption category	6) Metrics are currently tracked by zip code. Work to create Justice40 tracking capabilities kicked off in June 7) Ready to report for Q3 2024
Equity Category	2024 Equity Strategies	Status as of 7/17/2024
Participation Barriers	1) Build a network of community-based partners that conduct marketing and outreach and provide programs and services in the 5 Equity Communities	1) Hired Energy Efficiency Consumer Advocate (Kate Felder) who will be focused on this work. Kate has begun developing new one-pagers. Upcoming Events: July and October HEZ Learning Community Events, One Central Providence in September
Multifamily Barriers	2) Develop a strategy plan with landlords & multifamily property owners with detailed examples of how RIE will serve and reach MF landlords 3) Coordinate with RIDOH on the development of the rental registry	2) Direct mail campaign to Central Falls landlords and residents completed; developing "landlord listening sessions" with Progreso Latino slated to occur in the Fall

		3) Not yet started, keeping an eye on state developments and ready to support efforts
Pre-Weatherization Barriers	4) Work with partners to strategically align, braid, and leverage healthy homes programs to address pre-weatherization barriers 5) Work with partners to explore and secure new sources of housing rehab funding	4) Process in place for Income-Eligible Single Family Program; working on it for EW Single Family Program 5) BIL funding disseminated to CAPs; actively pursuing other funding opportunities (\$3M PCAP Grant); developed funding tracker
Workforce Development	6) Continue to fund workforce development partnerships 7) Host workshops for contractor businesses to increase availability and support for vendors to become certified MWBEs	6) This is ongoing 7) PPL Supplier Diversity is developing a workshop for Fall 2024
Microbusiness & Small Business	8) Increase the number of Main Street efforts conducted in zip codes with lower participation 9) Retain financing offers for small business customers to overcome the upfront cost barrier 10) Include efforts to serve small businesses as part of the Central Falls community-based initiative	8) Main Street campaigns kicked off in Providence in Q2; RISE hired multilingual program auditor/canvasser 9) Financing offers available; enhanced incentives being offered as part of Main Street campaigns 10) Considering the opportunity to expand this initiative in 2025

2024 Prioritization Exercise: Based on the RI EWG’s efforts and discussions so far, Kate Felder led a prioritization exercise to evaluate recommendations compiled throughout Year 4. The aim is to present the Company’s draft Annual Plan at the August meeting based on member feedback and hear from members on any necessary adjustments.

- Challenges Noted: RI EWG members expressed it was difficult to prioritize the list of recommendations due to the overlap across the options and individual priorities. Members also expressed a need for additional context and the ability to provide additional feedback as members wanted to justify their rankings and priorities, as all the recommendations are very important and valuable to the Company to increase participation in the Company’s energy efficiency programs. A member suggested tracking progress on priorities throughout 2024 to monitor improvements and areas of neglect.



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- Outreach & Metrics Tracking: RI EWG members also emphasized the importance of not only reaching a broad audience but also ensuring effective enrollment. She proposed tracking the impact of events on enrollment rates and comparing data from targeted communities versus baseline communities. Gathering and analyzing this data over time can help measure and improve outreach success.

RI EWG Meeting #6 – August 22, 2024

Hosted on August 22, 2024, the RI EWG hosted its sixth meeting to provide an overview of the final report and allow time for feedback and questions from members.

To kick off the Member Spotlights, the RI EWG welcomed back Kate Venturini from the University of Rhode Island to provide updates on their new Efficient Housing for All Community of Practice. Kate emphasized that reaching every resident in Rhode Island directly may not be feasible, and to focus on the community-based workers through the Health Equity Zones (HEZ) across the state to better support outreach and education efforts. Kate highlighted the crucial role of URI's Energy Fellows in supporting this work and suggested this would be a great way for the Company to invest in workforce development.

During this meeting, members also had the opportunity to review the final draft report and offer their initial feedback. Suggestions included restructuring the format of the report, improvements in clarity in certain sections, and the addition of actionable strategies to address key equity issues. The group also discussed the future of the RI EWG and potential enhancements, including developing agenda topics for future meetings much further in advance and strategies for increasing member engagement.