



# RIPUC DOCKET 4894 PASCOAG UTILITY DISTRICT'S DEMAND SIDE MANAGEMENT PROGRAM

FY 2019

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November 2, 2018

Ms. Luly Massaro  
Clerk of the Commission  
Rhode Island Public Utilities Commission  
89 Jefferson Blvd.  
Warwick RI 02888

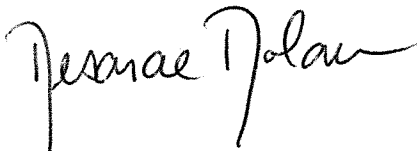
Re: RIPUC Docket No. 4894

Dear Ms. Massaro:

On behalf of Pascoag Utility District ("Pascoag" or the "District"), we herewith file an original and nine copies of Pascoag's proposed Demand Side Management Program for 2019. This submission includes Pascoag's Executive Summary, Program Details for 2019, reconciliation of 2018 DSM activities and budget, and other schedules that support this docket.

If you have any questions please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Desarae Dolan", written in a cursive style.

Desarae Dolan

DSM Coordinator

Cc: Mr. William Bernstein, Esquire

# RIPUC DOCKET 4894

## Schedule A-1

### Pascoag Utility District Demand Side Management Programs - 2019 Proposed Budget

Estimated carry over from 2018	\$	9,106
Estimated sales for 2019	\$	108,640
RGGI Funds	\$	65,000
Net 2019 budget	\$	182,746

#### 2019 Proposed Budget

#### Residential Program

DR1901	Home Energy Audits with Weatherization Incentives	\$	65,000	120 audits and weatherization incentives
DR1902	Energy Star Appliance Rebates	\$	5,838	Up to 77 incentives
DR1903	Refrigerators/Freezer Buy Back	\$	560	\$50 incentive & \$20 removal fee for a Refrigerator or Freezer; up to 8 rebates
DR1904	Energy Efficient Windows/Doors	\$	1,500	Up to 100 windows at \$15 or up to 37 doors at \$40
DR1905	Heating System Incentive	\$	1,500	6 Rebates at \$250
DR1906	ENERGY STAR qualified Water Heaters	\$	600	4 Rebates at \$150
DR1907	Energy Star Lighting fixtures& ceiling/ventilation fans	\$	650	Up to 13 rebates at \$50 maximum
DR1908	Home Office Equipment/Home Electronics	\$	500	10 Rebates at \$50
DR1909	New Construction	\$	1,000	2 Rebates up to \$500 maximum
DR1910	Central Air Conditioning	\$	2,700	9 Rebates up to \$300 maximum
DR1911	Change a Light Campaign	\$	400	8 Rebates up to \$50 maximum
DR1912	Committed for 2018 Programs	\$	1,500	To accommodate programs with depleted funds from 2018

**Net Residential** \$ **81,748**

#### Industrial/Commercial

DI1901	Energy Star Incentive - Office Equipment	\$	500	10 Rebates up to \$50 maximum
DI1902	Burrillville School Department	\$	9,300	Lighting Project-Burrillville Skating Rink
DI1903	Committed Funds- Lighting & EE Projects	\$	20,400	Burrillville Library Lighting Project & Ashton Court Lighting Project
DI1904	Consultation Fees	\$	250	To consult with RISE, National Grid, & ENE
DI1905	Energy Star Commercial Appliance	\$	700	2 Appliances up to a maximum of \$350
DI1906	LED Street Light Incentive	\$	8,000	Public Street Lighting Project

**Net Industrial/Commercial** \$ **39,150**

#### Administrative

DA1901	Administrative	\$	21,000	Administrative labor, mileage and supplies.
DA1902	Energy Consultant	\$	10,000	Energy Consultant to provide guidance and recommendations on DSM program.
DA1903	URI Energy Fellow Intern	\$	9,000	Intern to assist with anticipated increased workload.
DA1904	Program Research and Development	\$	500	Funds for future development of programs

**Net Administrative** \$ **40,500**

#### Community Outreach, Marketing & Education

DC1904	Funds for Follow-up to Successful Programs	\$	1,000	To be used on more successful programs.
DC1905	Outreach/Education	\$	6,500	Billing inserts, conservation promotional items, and the DEED membership.
DC1906	Jesse Smith Library Partnership	\$	3,523	To partner with the Jesse Smith Library on an Energy Efficiency Project.
DC1907	Community Events	\$	8,000	To promote Energy Efficiency @ Community Events (Green Festival, Family Fair, ...)
DC1908	Energy Efficiency Management continuing education	\$	2,325	Tuition, hotel, meals, mileage, NEEP 2 day conference, and webinars

**Net Community Outreach, Marketing & Education** \$ **21,348**  
**Estimated DSM 2019 Budget/ Expenses/ Balance** \$ **182,746**



# RIPUC DOCKET 4894

## Schedule A-2

### Pascoag Utility District Demand Side Management Programs - 2018/2019 Comparison

	2018	2019
Estimated carry over from 2018/2019	\$ 37,894	\$ 9,106
Estimated sales for 2018/2019	\$ 113,932	\$ 108,640
RGGI Funds	\$ -	\$ 65,000
Net 2018/2019 budget	\$ 151,826	\$ 182,746

	2018 Proposed Budget	2019 Proposed Budget	Change in \$	% Change
<b><u>Residential Program</u></b>				
ENE Residential Conservation Admin Fees	\$ 2,700	\$ -	\$ (2,700.00)	-100%
Home Energy Audits with Weatherization Incentives	\$ 4,020	\$ 65,000	\$ 60,980.00	1517%
Energy Star Appliance Rebates	\$ 6,500	\$ 5,838	\$ (662.00)	-10%
Refrigerators/Freezer Buy Back	\$ 560	\$ 560	\$ -	0%
Energy Efficient Windows/Doors	\$ 2,300	\$ 1,500	\$ (800.00)	-35%
Heating System Incentive	\$ 3,000	\$ 1,500	\$ (1,500.00)	-50%
ENERGY STAR qualified Water Heaters	\$ 600	\$ 600	\$ -	0%
Energy Star Lighting fixtures& ceiling/ventilation fans	\$ 650	\$ 650	\$ -	0%
Home Office Equipment/Home Electronics	\$ 1,000	\$ 500	\$ (500.00)	-50%
New Construction	\$ 1,000	\$ 1,000	\$ -	0%
Central Air Conditioning	\$ 2,400	\$ 2,700	\$ 300.00	13%
Change a Light Campaign	\$ 750	\$ 400	\$ (350.00)	-47%
Desk Calendars- with DSM rebate information	\$ 1,000	\$ -	\$ (1,000.00)	-100%
Committed for 2017/2018 Programs	\$ 2,100	\$ 1,500	\$ (600.00)	-29%
<b>Net Residential</b>	<b>\$ 28,580</b>	<b>\$ 81,748</b>	<b>\$ 53,168.00</b>	<b>186%</b>
<b><u>Industrial/Commercial</u></b>				
Energy Star Incentive - Office Equipment	\$ 500	\$ 500	\$ -	0%
Burrilville School Department	\$ 45,999	\$ 9,300	\$ (36,699.00)	-80%
Committed Funds- Lighting & EE Projects	\$ 21,566	\$ 20,400	\$ (1,166.00)	-5%
Consultation Fees	\$ 250	\$ 250	\$ -	0%
Energy Star Commercial Appliance	\$ 700	\$ 700	\$ -	0%
LED Street Light Incentive	\$ 10,000	\$ 8,000	\$ (2,000.00)	-20%
<b>Net Industrial/Commercial</b>	<b>\$ 79,015</b>	<b>\$ 39,150</b>	<b>\$ (39,865.00)</b>	<b>-50%</b>
<b><u>Administrative</u></b>				
Administrative	\$ 21,000	\$ 21,000	\$ -	0%
Energy Consultant	\$ -	\$ 10,000	\$ (10,000.00)	-
URI Energy Fellow Intern	\$ -	\$ 9,000	\$ (9,000.00)	-
Program Research and Development	\$ 500	\$ 500	\$ -	0%
<b>Net Administrative</b>	<b>\$ 21,500</b>	<b>\$ 40,500</b>	<b>\$ (19,000.00)</b>	<b>88%</b>
<b><u>Community Outreach, Marketing &amp; Education</u></b>				
Funds for Follow-up to Successful Programs	\$ 1,000	\$ 1,000	\$ -	0%
Outreach/Education	\$ 7,500	\$ 6,500	\$ (1,000.00)	-13%
Jesse Smith Library Partnership	\$ 3,700	\$ 3,523	\$ (177.00)	-5%
Community Events	\$ 8,031	\$ 8,000	\$ (31.00)	0%
Energy Efficiency Management continuing education	\$ 2,500	\$ 2,325	\$ (175.00)	-7%
<b>Net Community Outreach, Marketing &amp; Education</b>	<b>\$ 22,731</b>	<b>\$ 21,348</b>	<b>\$ (1,383.00)</b>	<b>-6%</b>
<b>Estimated DSM Budgets/Change \$/Change%</b>	<b>\$ 151,826</b>	<b>\$ 182,746</b>	<b>\$ (30,920.00)</b>	<b>20%</b>

## Executive Summary-Submitted by Desarae Dolan

### Schedule B

Pascoag Utility District's (PUD) 2019 Demand Side Management Program reflects a unique opportunity to enhance the utility's energy efficiency offerings to its customers. Working in partnership with the Rhode Island Office of Energy Resources (OER), PUD is committed to implementing a series of strategies that PUD believes will enhance and expand ratepayer access to important energy-cost saving measures, with the added benefit of reducing the community's greenhouse gas emissions. Through financial and technical assistance offerings, PUD has worked closely with OER staff to begin advancing two recommendations and six strategies as a pathway for the future of the utility's demand side management program (the full strategy document is contained in Schedule K). These recommendations and strategies are described below, with details on progress made in 2018 and proposed program enhancements in 2019.

**Administrative Recommendation #1:** Align energy efficiency funding more closely with sector SBC contributions.

To ensure equity among customer segments, PUD will endeavor to more closely align demand side management program spending with system benefit charge collections from each sector. In 2018, residential sales are forecasted to account for roughly 60% of total sales while residential programs received roughly 30% of the program budget. PUD proposes to increase the number of residential energy audits and weatherization incentives by \$60,000 in 2019, bringing the proportion of program spend closer to 50%.

**Administrative Recommendation #2:** Account for and report on full costs and benefits as defined in the Rhode Island Cost-Effectiveness Test.

PUD recognizes the importance of accurately tracking energy and cost savings data, as well as appropriately accounting for all benefits of demand side management. However, staff constraints have historically prevented more detailed analysis than has been filed through the demand side management plan and year-end report. In 2019, PUD proposes to hire an energy efficiency consultant to help guide data collection, cost-benefit analysis, and program development, as well as an intern to help with program management.

PUD has issued a competitive Request for Proposals (RFP) for an energy efficiency consultant to provide direction in the following areas:

1. Provide guidance and recommendations on annual Demand Side Management program planning/development/implementation.

- a. Aid in aligning energy efficiency funding more closely with sector SBC (system benefits charge) contributions.
  - b. Assist with data for the mid-year Demand Side Management filing due to the Rhode Island Public Utilities Commission in August 2019 and for a full year 2020 budget for the Demand Side Management program due November 2019.
2. Estimate energy and demand savings from program implementation and calculate cost-effectiveness of each Demand Side Management program (by sector) using the RI Test as defined by PUC Docket 4600.
  - a. Creation of a detailed data collection and database maintenance process.
  - b. A final report that would include a step-by-step methodology for calculating program cost-effectiveness, energy savings, cost savings and GHG emission reductions.
3. Assist PUD with customer-facing communications and messaging on energy efficiency and conservation.

PUD would like to hire a URI Energy Fellow intern for the DSM program, as we are anticipating a heavier workload with the changes we plan to implement in the next few years. We reached out to the URI Energy Fellows program because their students not only have an interest and are trained in energy industry topics but are matched based on the employer's specific needs. We have also had positive experiences with this program in the past. URI Energy Fellows have tabled at our Green Festival for the past several years and were always knowledgeable and professional. In addition, no other college in Rhode Island is offering such a comprehensive, workforce development program in the energy sector. We have temporarily requested an intern, pending RIPUC approval. We also plan to apply for funding through the RI Governor's Workforce Board-Work Immersion Program. If they approve our application, we would be reimbursed 35% of the cost, for 20 weeks of the internship.

**Strategy #1:** Decrease energy burden and address energy-related school construction priorities in Burrillville Public Schools located within the Pascoag District.

Reducing energy use and costs through efficiency improvements in schools would allow schools to reallocate cost savings to other projects, and comprehensive energy efficiency has additional benefits for health and education outcomes. Helping the schools is a priority strategy, with benefits that extend to students, staff, and the community.

The Burrillville School Department has begun major lighting projects in three of its five schools. The total project cost \$169,794. OER provided \$100,000 in funding through the Regional Greenhouse Gas Initiative (2018-A) for the project, with an additional \$46,000 in

incentives from PUD. The project will save-198,347 kwhrs per year and reduce their kW by 80.97. The project is scheduled to be completed before the end of the year.

The Burrillville School Department wants to continue the success of its energy efficiency efforts by completing a lighting project at the Levy Rink in 2019. This incentive is included in the 2019 DSM plan.

**Strategy #2:** Enhance incentive levels, especially for measures that go beyond lighting (e.g. weatherization).

Effective incentives are those that encourage energy efficient choices that would not have occurred in the absence of the incentive. There is concern that the incentive levels may be too low in some categories to encourage customers to take advantage of the program. PUD intends to review rebate incentive levels with the selected energy efficiency consultant. We have opted not to make any significant changes to the current programs this year because we would like input from an energy efficiency consultant before requesting any major changes. We would like to work with the energy efficiency consultant in 2019 and consider their recommendations for our 2020 Demand Side Management filing. We would not make any changes to the program without RIPUC approval.

**Strategy #3:** Subsidize energy-efficient workforce development training for facilities managers.

Energy efficiency workforce development trainings, like the Building Operator Certification (BOC), provide essential information for how to effectively maintain buildings, including specific processes to ensure optimal energy use and proper energy management. Such opportunities also connect facilities managers to each other, fostering a professional network for sharing best practices and answering specific questions.

Bill Robinson, Facilities Manager of the Burrillville Schools attended the Building Operator Certification this year. In addition, with help from OER, he was able to setup Energy Star Portfolio Manager to help benchmark energy use in Burrillville facilities. We will be reaching out to other facilities managers in 2019 to gauge interest.

**Strategy #4:** Facilitate commercial financing options either through a third-party bank and/or enable Commercial Property Assessed Clean Energy.

For small businesses, energy efficiency measures can not only reduce energy costs but can help the business absorb shocks from increasing energy prices or use due to colder-than-normal winters and hotter-than-normal summers. However, small businesses often struggle with finding the up-front capital needed for energy efficiency projects, preventing these businesses from benefiting from reduced energy bills. PUD has identified several energy



efficiency projects in small, local businesses, but has noted the barrier upfront costs play in preventing businesses from realizing benefits of energy efficiency. One possible finance product that could alleviate the upfront cost hurdle is Commercial Property Assessed Clean Energy (C-PACE), a product offered through a third-party institution that does not place any additional burden on ratepayers.

PUD has been working with the Rhode Island Infrastructure Bank (RIIB) to petition the Town of Burrillville to pass the ordinance to allow C-PACE funding. We attended the Town Council's meeting on October 24th to discuss the C-PACE program. The Town Council has recommended that the Town Manager work with PUD and RIIB to determine if this would be beneficial to commercial customers in Burrillville.

**Strategy #5:** Increase the number of residential energy assessments and no-cost direct install measures, with increased outreach to low-income residents.

Residential energy assessments with no-cost direct install measures are critical for households to reduce energy use and lower their energy bills. PUD has historically contracted with Energy New England (ENE) to conduct home energy assessments. ENE conducted 10-20 assessments annually within PUD territory. The assessments provided limited no-cost direct install measures (i.e. up to three LED bulbs per home) and did not include tests of ventilation or insulation.

In 2019, we are increasing the line item for energy audits from less than \$5,000 to \$65,000 with funding from the Regional Greenhouse Gas Initiative (Schedule K-2018-B). This will fund energy audits and weatherization incentives such as insulation, air sealing and programmable thermostats. In order to obtain the most competitive pricing for energy audits; PUD has issued a RFP for residential energy audits. We are focusing our efforts on increasing the number of households served by this program from 12 in 2018 to 120 in 2019, representing 3% of our residential customers.

We hope to focus on a weatherization program for low-income residents that we can propose for 2020, which we will develop during 2019 in collaboration with OER and the selected energy efficiency consultant.

**Strategy #6:** Continue to improve residential offerings by developing specific incentives for renters/landlords.

Renters and landlords face a split-incentive when it comes to energy efficiency improvements, and resolving this agency problem is a current challenge efficiency programs are tackling across the country. Renters are also often low-income residents, who face a significantly higher energy burden than other residents, and are hit particularly hard by price volatility. Furthermore, energy efficiency often leads to better health and productivity

outcomes, especially for vulnerable populations. In 2019, PUD will work with OER and an energy efficiency consultant to map out incentives for renters/landlords. These program enhancements will be proposed in PUD's 2020 DSM plan.

### **Electric Vehicles and Charging Infrastructure**

PUD has also been looking into strategic electrification. We have partnered with the Town of Burrillville and have helped them secure funding through the Rhode Island Charge Up! Program for four electric vehicle-charging stations. They have also leased their first electric car with incentives from the program. The car will serve as a pilot project to see if adding more electric cars to their fleet is feasible. The charging stations were installed as a cooperative effort between PUD and Burrillville's Department of Public Works. PUD would like to develop a program to educate and incentivize electric car owners to charge off peak. In September 2018, we held our first electric car show with help from OER and received many positive comments from our customers. We are hopeful that the installation of charging station infrastructure in Town, along with opportunities for educating our customers will go a long way to increase electric vehicle ownership.

### **Battery Storage as a Non-Wires Alternative to Substation/Feeder-line Upgrade**

In August, staff from PUD attended the Northeast Public Power Association's annual conference. One of the workshop's documented Sterling Municipal Light Department's energy storage project. Sterling has a 2MW/3.9 MWhr battery storage facility that was developed in 2017. After attending the workshop, PUD's management team began looking into a battery storage system that would increase reliability and possibly eliminate the need to expand the substation and/or increase the capacity of its feeder lines from National Grid. The battery storage system investigation process is in its early phases.

### **Existing Programs Not Covered Above**

We propose minor changes to all programs except the residential energy audits, which is detailed above. These changes are based on program participation in 2018. We will review all incentive levels with the selected energy efficiency consultant during 2019 and formally request PUC approval of any modifications deemed appropriate.

Pascoag Utility is excited about the proposed changes and is looking forward to restructuring our Demand Side Management program. Pascoag's proposed budget is based on a forecast of Sales for 2019 of 54,320,000 kwhrs (\$108,640). The District anticipates a \$9,106 carryover fund from 2018 and \$65,000 from RGGI funds, which would bring the total 2019 budget to \$182,746.

## 2019 Program Details

Schedule C

### RESIDENTIAL PROGRAMS

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In 2019, Pascoag plans to continue a majority of the current Residential Programs from 2018. Aside from the expansion of home energy audits with weatherization incentives detailed below, PUD has opted to not make any significant changes to the programs this year, due to the potential contracting of an energy efficiency consultant in 2019. PUD would like to take into consideration recommendations from the energy efficiency consultant and use 2019 as a planning year for future DSM programs. This summary will detail the programs proposed for 2019 and will review the success of the 2018 programs.

#### **Energy New England – Residential Conservation Services \$0:**

Pascoag Utility is discontinuing this service for 2019. PUD is looking to hire an energy efficiency consultant that will facilitate some of the same services that ENE currently provides in this category. The funds we would previously set aside for this service, can now be used to help fund the energy efficiency consultant.

The cost for this service will decrease from \$225 per month to \$0 in 2019.

#### **Audits with Follow-Up Incentives-\$65,000:**

Residential energy assessments with no-cost direct install measures are critical for households to reduce energy use and lower their energy bills. PUD has historically contracted with Energy New England (ENE) to conduct home energy assessments. ENE conducted 10-20 assessments annually within PUD territory. The assessments provided limited no-cost direct install measures (i.e. up to three LED bulbs per home) and did not include tests of ventilation or insulation.

In 2019, we are increasing the line item for energy audits from less than \$5,000 to \$65,000 with funding from the Regional Greenhouse Gas Initiative (Schedule K-2018-B). This will fund energy audits and weatherization incentives such as insulation, air sealing and programmable thermostats. In order to obtain the most competitive pricing for energy audits; PUD has issued a RFP for residential energy audits. We are focusing our efforts on increasing the number of households served by this program from 12 in 2018 to 120 in 2019, representing 3% of our residential customers.

This would allow for the following:

120- Audits @ \$235 each (estimated)	\$28,200
Insulation:	75% up to \$800
Air Sealing:	75% up to \$500
Programmable Thermostat	
Wireless	\$100
Non-wireless	\$25

We are assuming the following:

- 50% conversion rate or 60 homes will both qualify for and take advantage of the programmable thermostat offer.
- 25% conversion rate or 30 homes will both qualify for and take advantage of air sealing rebates.
- 15% conversion rate or 18 homes will both qualify for and take advantage of insulation rebates.

If our assumptions are correct, PUD would be able to devote an estimated \$28,200 to residential energy audits, \$6,000 to programmable thermostats, \$15,000 to air sealing and \$14,400 to insulation rebates. Only customers, who received an energy audit that recommended the products above, would qualify for the rebates. Air sealing and insulation would also need to be installed by a licensed contractor to qualify for rebates.

The deadline for the Residential Energy Audits RFP is November 16th. PUD expects to review the proposals and appoint an energy audit contractor pending RIPUC approval.

## **ENERGY STAR Appliance Rebates: \$5,838**

Pascoag would like to fund this line item at \$5,838 in 2019. This program will have several hundred dollars left by the end of the year. The program performed well this year but has performed better in previous years. We would like to decrease the program from \$6,500 to \$5,838 to reflect that.

When a customer purchases an appliance, there are two price tags for the item: what you pay to take it home and what you pay for the energy and the water it will use. ENERGY STAR



compliant models typically use 10-50% less energy and water compared to the standard models.

There are multiple benefits to using ENERGY STAR qualified appliances. They save customers money by using less energy and they help to reduce greenhouse gas emissions, which aids in the fight against climate change.

Energy Star Appliance:	Savings:
Clothes Washer	40-50% less energy and 55% less water
Dehumidifier	15% less energy
Dishwasher	12% less energy
Refrigerator and/or Freezer	10% less energy
Air Conditioner	10% less energy
Clothes Dryer	20% less energy

Additionally many of PUD's customers call before making an appliance purchase to make sure the models they are interested in qualify for rebates.

2019 Proposed Appliance Rebate Program	Incentive
Refrigerator, freezer, clothes washer and electric clothes dryer	10% not to exceed \$75.00
Dishwasher or air purifier	10% not to exceed \$50.00
Air conditioner	10% not to exceed \$25.00
Dehumidifier	10% not to exceed \$20.00

## Refrigerator/Freezer Buyback Program: \$560

PUD would like to continue the refrigerator/freezer buyback program in 2019. This program encourages our customers to reduce their electric bills by removing an old inefficient refrigerator or freezer from their house. The Energy Star website estimates there are more than 60 million refrigerators over ten years old that cost consumers \$4.7 billion

dollars a year in energy costs. Pascoag Utility increased the incentive from \$50 to \$70 to offset the recycling charge in 2015, which increased the activity for this program. PUD would like to keep the budget the same for 2019 and allow the removal of eight refrigerators or freezers and ensure that they don't end up back on the grid in someone else's home. A second refrigerator/freezer removal program will cut demand and reduce residential energy consumption.

In order to qualify for the program, the customer must contact the Pascoag Utility office so we can verify the following requirements for a second refrigerator or freezer:

- It must be between 10 to 30 cubic feet using inside measurements.
- The refrigerator or freezer must be in working order.
- The customer must fill out a form with the model and make of the refrigerator/freezer and give the approximate age.

Once the criteria are met, the customer will be instructed to call Waste Management at 1-800-972-4545 to schedule an appointment to pick up the appliance. After the pickup is verified, the customer will receive a \$70 rebate, which will be applied to their electric account.

Pascoag Utility would like to maintain the funds to this line item at \$560; a rebate of \$50 and a removal fee of \$20 will allow us to process eight incentives.

### **ENERGY STAR Windows/Skylights and Doors Incentive: \$1,500**

The budget for 2018 was \$2,300 and by October PUD has processed \$1,025 in rebates. Pascoag Utility would like to decrease funding to \$1,500 in 2019. When a customer purchases ENERGY STAR compliant windows, doors and skylights for the northern area, they will realize energy savings in lower energy use. These windows and doors also help reduce heat loss in winter and offer protection from the summer sun, and reduce condensation and interior fading. ENERGY STAR qualified windows, doors and skylights keep your home cooler in the summer and warmer in the winter.

Pascoag Utility will keep the incentive at \$15 per window, up to a maximum of ten windows per customer and \$40 for one door. To qualify all windows and doors must meet energy efficiency standards (see next page):

WINDOWS			
CLIMATE ZONE	U-FACTOR <sup>1</sup>	SHGC <sup>2</sup>	
Northern	≤ 0.27	Any	Prescriptive
	≥ 0.28	≥ 0.32	Equivalent Energy Performance
	≥ 0.29	≥ 0.37	
	≥ 0.30	≥ 0.42	
North Central	≤ 0.30	≤ 0.40	
South Central	≤ 0.30	≤ 0.25	
Southern	≤ 0.40	≤ 0.25	

SKYLIGHTS			
CLIMATE ZONE	U-FACTOR <sup>1</sup>	SHGC <sup>2</sup>	
Northern	≤ 0.50	Any	
North Central	≤ 0.53	≤ 0.35	
South Central	≤ 0.53	≤ 0.28	
Southern	≤ 0.50	≤ 0.28	

Air Leakage ≤ 0.3 cfm/ft<sup>2</sup>  
<sup>1</sup> Btu/h-ft<sup>2</sup>-F  
<sup>2</sup> Solar Heat Gain Coefficient

DOORS			
GLAZING LEVEL	U-FACTOR <sup>1</sup>	SHGC <sup>2</sup>	
Opaque	≤ 0.17	No Rating	
≤ ½-Lite	≤ 0.25	≤ 0.25	
> ½-Lite	≤ 0.30	Northern North-Central	≤ 0.40
		Southern South-Central	≤ 0.25

Air Leakage for Sliding Doors ≤ 0.3 cfm/ft<sup>2</sup>  
 Air Leakage for Swinging Doors ≤ 0.5 cfm/ft<sup>2</sup>

## ENERGY STAR Heating System Incentives: \$1,500

PUD would like to decrease the funding for heating system replacement from \$3,000 to \$1,500, in 2019. As of October, the District has only issued two rebates totaling \$500.

With the price of fuel to heat a home today, many homeowners are replacing their older systems with ENERGY STAR compliant gas and oil boilers/furnaces and making every drop of fuel count. Although these products are expensive to purchase up front, the cost difference is paid back over time through lower energy bills.

The ENERGY STAR compliant oil and gas furnaces have annual fuel utilization efficiency (AFUE) ratings of 85% and 95%, making them up to 16% more efficient than standard models. These furnaces are estimated to save customers between \$66 and \$94 in energy costs per year.

ENERGY STAR qualified boilers have annual utilization efficiency (AFUE) rating of 87% or greater. Whether the fuel is gas or oil, they are up to 12% more energy efficient than standard models. They achieve greater efficiency with improved features like electronic ignition that eliminates the need to have a pilot light burning all the time; new combustion

technologies that extract more heat from the same amount of fuel; and sealed combustion that uses outside air to fuel the burner, reducing drafts and improving safety.

Pascoag Utility would like to keep the incentive at \$250 in 2019. This will allow six customers to take advantage of this program.

### **ENERGY STAR Solar and Electric Heat Pump Water Heaters: \$600**

PUD would like to continue to offer an incentive on ENERGY STAR qualified solar hot water heaters and ENERGY STAR heat pump water heaters. The potential for savings are listed below:

ENERGY STAR Solar Water Heaters can be used in combination with another back-up system. Using the sunshine to heat or preheat the water in combination with an electric tank water heater as backup will cut your annual hot water costs in half.

ENERGY STAR Heat Pump Water Heaters can save the average household \$330 per year and 2,690 kwhrs compared to a standard electric hot water heater.

Pascoag Utility has not processed any rebates to date. PUD would like funding to remain at \$600 in 2019. An incentive of 10% of the cost, not to exceed \$150 will allow us to process four incentives in 2019.

### **ENERGY STAR Lighting Fixtures/Ceiling and Ventilation Fans: \$650**

Pascoag Utility would like to keep funding at \$650 in 2019. We would like to continue the fifty percent rebate on lighting fixtures and ENERGY STAR ceiling and ventilation fans. PUD processed eight rebates totaling \$344, as of October 2018.

ENERGY STAR qualified lighting fixtures use 90% less energy and 70-90% less heat than incandescent lighting. They distribute light more efficiently and more evenly than the standard fixture. They come in hundreds of decorative styles including portable fixtures like table, desk and floor lamps, and hard-wired fixture options like front porch, dining room, kitchen ceiling and under-cabinet, hallway ceiling and wall bathroom vanity fixtures and ceiling fan lighting fixtures. Many fixtures have convenient features such as dimming on some indoor models and automatic daylight shut-off and motion sensors on outdoor models.



ENERGY STAR ceiling fans/light combination units are 40% more efficient than standard models. They operate with less noise, have high performance motors, and improved blade design that provides better performance.

The incentive will remain at 50%, with a cap of \$50.

### **Home Office Equipment/Home Electronics: \$500**

Pascoag Utility would like to decrease funding from \$1,000 to \$500 in 2019. The incentives for this line item will remain at 15% of the cost, up to a maximum rebate of \$50. The District has processed \$344.00 in rebates through October. PUD feels that the demand for office and electronic rebates will hopefully increase, possibly in the month of December.

ENERGY STAR compliant office equipment such as computers, monitors and imaging equipment like printers and copiers help to eliminate waste through special energy efficient designs. They use less electricity and when they are not in use enter into a low-power mode. The specifications for many office products continue to change making it more difficult to earn the ENERGY STAR label. The products now are 25-50% more efficient than standard equipment. The products that fall under office equipment are: computers, laptops, copiers, fax machines, digital duplicators, external power adapters, notebook computers/tablet PC's, mailing machines, computer monitors, digital picture frames, printers, scanners, all in one units, water coolers, and computer servers.

The products that fall under home electronics are audio/video such as Home-Theater-in-a-box systems, audio amplifiers, AV receivers, shelf systems, DVD players, Blu-ray disc players, docking stations for audio amplification or optical disc drive functions, battery charging systems such as cordless power tools, cordless yard care tools, hand held vacuums, personal care products, digital-to-analog converter boxes, cordless phones, and combination units, external power adapters, televisions and set-top boxes imaging equipment.

Pascoag Utility would like to fund this line item at \$500 with a rebate of 15% not to exceed \$50.

### **New Construction Rebates: \$1,000**

Pascoag Utility has not processed any rebates in 2018 but would like funding to remain at \$1,000 for 2019. The budget of \$1,000 will allow us to process two rebates with a cap of \$500 per unit /home. In order to encourage this program in the future, new construction rebate applications will be given to contractors when they come into the office to fill out a

service location card for a new electrical service. We have not done this in prior years and it was a missed opportunity.

This line item is an excellent way to encourage contractors to upgrade to ENERGY STAR compliant windows, doors, skylights, heating systems, appliances, lighting fixtures, central air conditioning, and water heaters. Since the current building code in the town of Burrillville does not require the contractors to install Energy Star compliant products, PUD feels this program is a great way to encourage energy efficiency in the construction process and to reduce the demand for electricity from these new housing developments.

## Central Air Conditioning: \$2,700

Pascoag Utility has processed ten rebates totaling \$2,400 in 2018, which is up from last year at this time. PUD would like to slightly increase funding to \$2,700 for the upcoming year.

About one-seventh of all the electricity in the US is used to air condition buildings. ENERGY STAR qualified central air conditioners have a higher seasonal efficiency rating (SEER) than standard models, which makes them up to 50% more efficient than standard models. ENERGY STAR certified central air conditioners must meet the following specifications:

Equipment	Specification
Air-Source Heat Pumps	<p>≥ 8.5 HSPF/ ≥15 SEER/ ≥12.5 EER* for split systems</p> <p>≥ 8.2 HSPF ≥15 SEER/ ≥12 EER* for single package equipment including gas/electric package units.</p>
Central Air Conditioners	<p>≥15 SEER/ ≥12.5 EER* for split systems</p> <p>≥15 SEER/ ≥12 EER* for single package equipment including gas/electric package units.</p>

PUD is proposing a tiered incentive based on the efficiency of the cooling unit. This would allow up nine rebates.

Air Source Heat Pump	SEER	EER	HSPF	Proposed Incentive Amount
Single package	≥15.0	≥12.0	≥8.2	\$200
Split System	≥15.0	≥12	≥8.5	\$200
	≥16	≥12.5	≥8.5	\$250
	≥17	≥13	≥8.5	\$300

Central AC	SEER	EER	Proposed Incentive Amount
Single Package	≥15	≥12	\$200
Split System	≥15	≥12.5	\$250
	≥16	≥13	\$300

## **Energy Star Light Bulbs: \$400**

The ENERGY STAR label on lighting means you are getting a product that is superior in energy efficiency. ENERGY STAR qualified light bulbs use 70%-90% less energy than traditional incandescent bulbs. ENERGY STAR decorative light strings use 75% less energy than conventional incandescent light strings, last ten times longer, and are cool to the touch. The ENERGY STAR qualified decorative light strings that feature LED technology are 90% more efficient. The electricity used by just one 7-watt incandescent bulb, can power 140 LEDs or enough to power a 25-foot string of LEDs.

Pascoag Utility proposes a rebate of 50% of the cost of the LED light bulbs with a cap of \$50 per customer. PUD would like funding to decrease to \$400 for 2019. As of October, PUD has only processed \$256 in rebates. We believe this is due to the majority of our customers switching over to LED's in recent years and not needing to replace them as often.

## **Desk Calendars with DSM Rebate Information: \$0**

In 2018, Pascoag Utility purchased 500 Desk Calendars that are personalized with information about the DSM rebates and directs our customers to our website for applications. Customers use the calendars and have the DSM rebate information in a useful location.

PUD would like to discontinue this program at this time due to budget constraints and if funds allow, purchase the calendars from the outreach and education line item next year.

## **Committed for 2018 Programs: \$1,500**

Pascoag Utility is estimating a carryover of funds from 2018 in the amount of \$9,106. PUD would like to use \$7,606 of these funds in the 2019 budget and use \$1,500 to satisfy 2018 qualified rebates for customers who do not receive a rebate because the funds for a particular program had been depleted in 2018 or for rebates that are turned in after the books are closed for 2018; the cutoff date for 2018 rebates would be March 15, 2019.

## COMMERCIAL & INDUSTRIAL PROGRAMS

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### **ENERGY STAR Incentive – Office Equipment/Electronics: \$500**

PUD issued two incentives totaling \$75 through October of 2018. Pascoag Utility continues to promote this program. The District would like to continue this program at the same level of funding in 2019.

The office equipment and electronics have the same savings that are mentioned in the Home Office Equipment/Home Electronics program. The incentive will remain at 25% of the cost, with a cap not to exceed \$50.

### ***Industrial and Commercial Projects 2018:***

#### **Burrillville School Department:**

The Burrillville School Department has begun major lighting projects in three of its five schools (A.T. Levy, Callahan Elementary and Steere Farm Elementary). The total project cost \$169,794. OER provided \$100,000 in funding through the Regional Greenhouse Gas Initiative (Schedule K-2018-A) for the project, with an additional \$46,000 in incentives from PUD. The project will save-198,347 kwhrs per year and reduce their kW by 80.97. The project is scheduled to be completed before the end of the year. The rebate will be processed once the project is complete and has been inspected.

The Burrillville School Department wants to continue the success of its energy efficiency efforts by completing a lighting project at the Levy Rink in 2019. PUD would like to fund this program with \$9,300 in 2019.

#### **Committed Funds-Lighting and Energy Efficiency Projects:**

Pascoag Utility has completed two lighting projects this year. The Binn Building completed a lighting project that cost \$2,369 and was rebated \$507. They will save 1,569 kwhrs annually and reduce their kW by 1.05. The Little General Store also completed a lighting project that cost \$7,214 and was rebated \$2,419. They will save 5,570 kwhrs and reduce their kW by .92.

#### **Committed Funds 2019- Lighting and Energy Efficiency Projects: \$20,400**

PUD would like to allocate funds to this line item in order to accommodate unidentified and identified projects. Often, businesses will approach Pascoag Utility after the file date, and ask whether a project they are considering, will qualify for any type of financial assistance through rebates. This line item gives PUD a source of funds to work from, so we do not miss an opportunity to work with our business customers on energy efficiency projects.

PUD would like to keep the rebates for lighting projects at 60% on retrofit projects and 40% on new lighting projects in 2019. These incentives have enticed customers to make the necessary changes to increase their energy efficiencies.



Pascoag Utility would like to allocate \$20,400 to this line item and make the funds available on a first come first serve basis.

PUD has identified the following projects for 2019:

- Jesse Smith Library-\$44,475 lighting project. The rebate for this would be \$9,319 and would reduce their kwhrs by 56,694 and their kW by 20.75.
- Ashton Court (provides safe, affordable housing for the elderly and disabled)-will potentially be working on a major lighting project in two phases, spread out over the next two years. The first phase would take place in 2019 and would include all of their exterior lighting. The project would cost \$26,857 with a rebate of \$10,948. They would reduce their kwhrs by 181,805 and kW by 41.51. The second phase would take place in 2020 for all of their interior lighting. The project would cost \$58,981 with a rebate of \$22,764. They would reduce their kwhrs by 55,798 and their kW by 24.77.

### **Consultation fees: \$250**

National Grid, RISE Engineering and Energy New England continue to provide verification of savings on the commercial and industrial projects on an as needed basis. This line item will remain at \$250 for 2019.

### **ENERGY STAR Commercial Appliances: \$700**

Pascoag Utility has not processed any rebates to date. PUD would like to continue to offer the businesses the same rebate criteria as seen under the residential appliance program for residential appliances. Small businesses in Town struggle to update their facilities with energy efficient equipment. We will try to find additional ways to promote this program but we are also encouraging the Town of Burrillville to pass the ordinance for C-PACE financing in order to reduce the financial burden to small businesses.

The following appliance would qualify for rebates:

Commercial Dishwashers that earn the ENERGY STAR rating on average are 40% more energy efficient and 40% more water efficient than standard models.

Commercial Fryers that earn the ENERGY STAR rating are up to 35% more energy efficient than standard models. They also offer shorter cook times and higher production rates through advanced burner and heat exchanger designs.

Commercial Ice Machines that earn the ENERGY STAR rating are on average 15% percent more energy efficient and 23% more water efficient than standard models.

Commercial Hot Food Holding Cabinets that have earned the ENERGY STAR rating are 65% more efficient than standard models. Models that meet the requirements incorporate better insulation, reducing heat loss, and may offer additional energy saving devices such as magnetic door gaskets, auto-door closures, or Dutch doors.

Commercial Griddles that earn the ENERGY STAR rating are about 10% more energy-efficient than standard models. A qualified grill can save 1,200 kWh annually.

Commercial Ovens that earn the ENERGY STAR rating are 20% more energy-efficient than standard models. These ovens can save 1,870 kWh annually.

Commercial Refrigerators & Freezers that meet the ENERGY STAR specifications will be 40% more energy efficient than a standard option because they are designed with components such as high efficiency compressors and improved coil design, electronically commutated motors, variable speed fans, and efficient interior lighting.

Commercial Steam Cookers, also known as compartment steamers that meet the ENERGY STAR qualifications are up to 50% more energy-efficient than standard models. They can save 11,500 kWh annually.

PUD proposes a rebate of 10% with a cap of \$350 for commercial appliance or the following for the smaller Residential Appliances:

A commercial or industrial customer purchasing an ENERGY STAR compliant residential appliance will receive a rebate of up to 10% not to exceed the following for each appliance; refrigerator, freezer, clothes washer, and dryers up to \$75. A customer purchasing an ENERGY STAR compliant dishwasher or air purifier will receive an incentive up to \$50; an ENERGY STAR air conditioner will receive an incentive up to \$25; an ENERGY STAR dehumidifier will receive incentive up to \$20. The same savings would apply as listed under residential ENERGY STAR Appliance Rebates.

### **2019 LED Street Light Incentive: \$8,000**

In 2018, the DSM Program rebated Pascoag Utility District \$10,000 for the LED Street Light Project that was completed in 2016 in which PUD purchased and installed 610 LED Street Lights. This money will be used to reduce the Account Receivable from the DSM Program from \$80,321 to \$72,321.

## ADMINISTRATIVE PROGRAMS

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### **Administrative Expenses: \$21,000**

The funds from this line item will be used to pay for staff time, supplies, and reimbursement of mileage when employees use their private vehicles for DSM related activities.

Pascoag has three Customer Service Representatives who devote many hours to the DSM programs by working with the customers, taking the applications for rebates on the various programs and answering questions over the phone and in person. The DSM Coordinator spends many hours researching the compliance of the various rebates that are submitted, reconciling the DSM programs, and updating existing programs as well as creating new programs for the next year and requesting reallocation of funds. In addition, the Assistant General Manager works with the commercial and industrial customers on various C & I projects and performs site visits.

Pascoag Utility would also like to hold a training session with the Customer Service Representatives and include a luncheon again this year to train them on the latest criteria regarding DSM rebates for 2019.

The District would like to fund this line item at \$21,000 in 2019.

### **Energy Efficiency Consultant: \$10,000**

PUD recognizes the importance of accurately tracking energy and cost savings data, as well as appropriately accounting for all benefits of demand side management. However, staff constraints have historically prevented more detailed analysis than has been filed through the demand side management plan and year-end report. In 2019, PUD proposes to hire an energy efficiency consultant to help guide data collection, cost-benefit analysis, and program development, as well as an intern to help with program management.

PUD has issued a competitive Request for Proposals (RFP) for an energy efficiency consultant to provide direction in the following areas:

1. Provide guidance and recommendations on annual Demand Side Management program planning/development/implementation.
  - a. Aid in aligning energy efficiency funding more closely with sector SBC (system benefits charge) contributions.
  - b. Assist with data for the mid-year Demand Side Management filing due to the Rhode Island Public Utilities Commission in August 2019 and for a full year 2020 budget for the Demand Side Management program due November 2019.
2. Estimate energy and demand savings from program implementation and calculate cost-effectiveness of each Demand Side Management program (by sector) using the RI Test as defined by PUC Docket 4600.
  - a. Creation of a detailed data collection and database maintenance process.

- b. A final report that would include a step-by-step methodology for calculating program cost-effectiveness, energy savings, cost savings and GHG emission reductions.
3. Assist PUD with customer-facing communications and messaging on energy efficiency and conservation.

The deadline for the energy efficiency consultant RFP is December 7<sup>th</sup>. We hope to review the proposals in December and appoint an energy efficiency consultant pending RIPUC approval. The contract would begin on January 1, 2019.

## URI Energy Fellow Intern: \$9,000

PUD would like to hire a URI Energy Fellow intern for the DSM program, as we are anticipating a heavier workload with the changes we plan to implement in the next few years. We reached out to the URI Energy Fellows program because their students not only have an interest and are trained in energy industry topics but are matched based on the employer's specific needs. We have also had positive experiences with this program in the past. URI Energy Fellows have tabled at our Green Festival for the past several years and were always knowledgeable and professional. In addition, no other college in Rhode Island is offering such a comprehensive, workforce development program in the energy sector. We have temporarily requested an intern, pending RIPUC approval. The intern is required to work a minimum of 600 documented work hours during the year to fulfil the internship requirement of the Energy Fellows program. We also plan to apply for funding through the RI Governor's Workforce Board-Work Immersion Program to further defray costs. If they approve our application, we would be reimbursed 35% of the cost, for 20 weeks of the internship. We are budgeting for the full amount of the internship, in the event we are not granted funding by the Work Immersion Program.

Energy Fellows Program		
Month	Hours	Notes:
April	40	10 hours per week
May	94	10 hours the first week because of exams and then 28 hours for the remaining 3 weeks
June	112	28 per week 8:00-3:30-4 days/week
July	112	28 per week 8:00-3:30-4 days/week
Aug	112	28 per week 8:00-3:30-4 days/week
Sept	65	16 hours per week
Oct	65	16 hours per week
	600	
\$ 6,300.00 Labor costs-\$10.50 min wage in 2019 multiplied by 600 hours		
\$ 2,600.00 URI Program Coordination Fee		
\$ 8,900.00		
400 Hours reimburseable over a 20 week period (May-September)		
\$ 1,470.00 Amount of reimbursement from Work Immersion Program (35%)		
\$ 7,430.00 Total amount due from Pascoag Utility District		

## **Program Research and Development: \$500**

Pascoag Utility would like to fund this line item with \$500 to have a source of funds to help develop future energy efficiency programs. PUD has spent \$270 to date, on costs associated with the potential implementation of the C-PACE program.

PUD believes the C-PACE program will be an effective tool that will help dramatically lower energy rates for C&I property owners. PUD's C&I customers must often expend an allocation of their own capital on top of Pascoag Utility District's incentives to complete property improvement projects that reduce energy expenses such as investing in LED lighting, upgrading their HVAC units or investing in solar energy on their rooftops. Per this trend, our C&I customers regularly decide instead to re-invest in their business and employees or partake in other measures to reduce overhead costs. The C-PACE program and loans will allow customers to now choose sustainable decisions because this type of financing will dramatically improve cash flow by allowing the savings from such sustainable measures to more closely match the required capital outlay.

## **COMMUNITY OUTREACH, MARKETING & EDUCATION PROGRAMS**

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### **Follow-Up to Successful Programs: \$1,000**

PUD is requesting a line item to allow some flexibility in transferring funds up to ten percent to other programs with a high customer demand. If the carry over funds exceed our estimate, Pascoag Utility is proposing to move these funds to the Funds for Follow-up to Successful Programs line item in the 2019 budget.

### **Outreach/Education Program: \$6,500**

Pascoag Utility took several opportunities to educate the public on energy efficiency matters this year. We attended and helped with some of the planning aspects of the Burrillville Family Fair. Customers received energy efficient information products at the Family Fair and Green Festival. Over 1,000 people attended the Family Fair and 600 attended the Green Festival. We would like to increase attendance at the Green Festival by incorporating another organization into our partnership with the Town, the Burrillville Prevention Action Coalition. The Burrillville Prevention Action Coalition (BPAC) is a volunteer, working task force comprised of individuals who are interested in substance abuse prevention issues in the Burrillville community. BPAC contacted us last year and asked if there was a way for them to participate by bringing health and wellness vendors to the Green Festival. PUD believes the topics of health/wellness and energy efficiency/conservation go hand in hand. This would also be an exciting addition to our present work with Burrillville Recycling. Although, we weren't able to get our plans off the ground in 2018; we plan on exploring this new partnership in 2019. As always, we will continue to distribute information at our office for our many walk in customers.

A budget of \$6,500 is requested, to use some of these funds to update the website in 2019, process bill inserts promoting the various programs, and to run advertisements in the local paper. We would also like to purchase fulfillment materials, such as night-lights, refrigerator thermostats and other conservation materials, which will be given away at PUD's customer outreach events.

In addition, Pascoag Utility would like to purchase an annual subscription to the DEED Program again in 2019; this membership allows us to see what utilities in other states are doing in regards to energy efficiency projects.

### **Jesse Smith Library Partnership - \$3,523**

Pascoag Utility collaborated with the Jesse Smith Library and Burrillville Recycling for an Earth Day Contest, which encouraged students, grades K -8 to create posters on why recycling and energy conservation is important. The top twelve posters were chosen and will be included in a 2019 calendar with recycling and conservation messages. An awards ceremony was held at the library and each participant received a certificate issued by the Town Council.

In 2019, PUD would again like to collaborate with the Jesse Smith Library and Burrillville Recycling. This would allow us to continue the partnership for an Earth Day Poster contest for both energy efficiency and recycling. A budget of \$3,523 is requested and would be used to help fund prizes, materials, labor, and refreshments for the awards ceremony and allow us to create calendars with the posters that will hang in customers' homes for twelve months.

### **Community Events: \$8,000**

Burrillville is a small, tight-knit community. Pascoag Utility District's presence at community events is imperative to promote our DSM programs, establish trust within the community and communicate with our customers face to face. It gives us an opportunity to interact with our customers outside of the office and answer questions they may have, that they didn't have time to call us about. The community events we attend in 2019 will be critical to promoting our expanded home energy audit program and weatherization incentives.

In 2018, funds were used to purchase supplies, create and distribute flyers for the Green Festival, change date/time on banners and signs and to pay for labor at community events that promoted energy efficiency. Many hours were also dedicated to the preparation of the Green Festival event.

The Pascoag Utility District partnered with the Town of Burrillville's Parks & Recreation Department and hosted the event at the Stillwater Mill Center at 100 Tinkham Lane. This partnership continues to be very rewarding. The Festival had something for everyone and is a family friendly event. Over 600 festivalgoers learned about local products and ideas from 30 local vendors, to help them conserve energy and create a more sustainable lifestyle. There were free crafts, face painting, games,



and bucket truck rides for the children. The event was very successful at raising funds from a raffle for a local nonprofit agency called the Backpack Project.

In addition, OER hosted an electric car show at the Green Festival in honor of Drive Electric week. Two dealerships were present to answer questions about electric cars and give test drives. Electric vehicle owners also displayed their cars. PUD received many positive comments about the electric car show and it is something staff would like to do again, in the future.

In February 2018, the entire 4<sup>th</sup> grade from Steere Farm Elementary School visited PUD on a field trip. The children learned about public power, energy efficiency and the operation of an electrical company. They played energy efficiency games and worked on energy efficiency posters for the annual calendar contest. They were also given a tour of the facilities and had lunch at our office. The staff and the children had a lot of fun and it is something PUD hopes to continue in 2019.

Pascoag Utility would like to continue the line item for Community Events. PUD will continue the partnership with the Town of Burrillville Parks and Recreation Department in hosting the Green Festival again next year. This will allow us to attend other events in the community, where we can promote the DSM programs that are available to our customers.

Pascoag Utility would like to fund this line item at \$8,000 in 2019.

## **Energy Efficiency Management Continuing Education funds: \$2,325**

In 2017, Ms. Dolan-the DSM Coordinator, attended the American Public Power Association's Spring Education Institute to earn a certificate in Energy Efficiency Management. Ms. Dolan passed the required test and completed the Business Plan portion of the program in 2018. She was awarded her certificate in April 2018.

In October, Ms. Dolan and Ms. Round, attended the Northeast Energy Efficiency Partnership's summit in Middletown, RI. The two-day conference provided an amazing educational opportunity for both staff members. Workshop topics included information on public policy, metrics & data for energy efficiency and strategic electrification.

Pascoag Utility would like to slightly decrease funding to this line item to \$2,325 in 2019 so the DSM coordinator can attend various workshops and other learning opportunities.

## Pascoag Utility District Demand Side Management Programs - 2018 Approved Budget

Estimated/Actual carry over from 2017	\$	18,895	\$	37,894
Estimated sales for 2018	\$	113,932	\$	113,932
Net 2018 budget	\$	132,827	\$	151,826

		2018 Proposed Budget		2018 Expenses Jan-Oct		Balance			
<b>Residential Program</b>									
DR1801	ENE Residential Conservation Admin Fees	\$	2,700	\$	2,250	\$	450	10 months @ \$225	
DR1802	Home Energy Audits with Incentives	\$	4,020	\$	4,020	\$	(0)	17 Audits @ \$225 and a thermal imaging device for \$465.37	
DR1803	Energy Star Appliance Rebates	\$	6,500	\$	4,493	\$	2,008	93 appliance rebates	
DR1804	Refrigerators/Freezer Buy Back	\$	560	\$	463	\$	97	7 refrigerator buyback rebates	
DR1805	Energy Efficient Windows/Doors	\$	2,300	\$	1,025	\$	1,275	5 doors and 55 windows	
DR1806	Heating System Incentive	\$	3,000	\$	500	\$	2,500	2 heating system rebates	
DR1807	ENERGY STAR qualified Water Heaters	\$	600	\$	-	\$	600	There was no activity at this time.	
DR1808	Energy Star Lighting fixtures& ceiling/ventilation fans	\$	650	\$	344	\$	306	8 lighting fixture/fan rebates	
DR1809	Home Office Equipment/Home Electronics	\$	1,000	\$	195	\$	805	6 rebates-5 televisions and 2 printers	
DR1810	New Construction	\$	1,000	\$	-	\$	1,000	There was no activity at this time.	
DR1811	Central Air Conditioning	\$	2,400	\$	2,400	\$	-	10 rebates-8 air source heat pump spill systems and 2 central air units	
DR1812	Change a Light Campaign	\$	750	\$	256	\$	494	110 LED lightbulbs	
DR1813	Desk Calendars- with DSM rebate information	\$	1,000	\$	959	\$	41	There was no activity at this time.	
DR1814	Committed for 2017 Programs	\$	2,100	\$	1,538	\$	563	21 rebates (appliances, doors, windows, central ac and electronics)	
<b>Net Residential</b>		\$	28,580	\$	18,443	\$	10,137		
<b>Industrial/Commercial</b>									
DI1801	Energy Star Incentive - Office Equipment	\$	500	\$	75	\$	425	1 printer and 1 AC rebate	
DI1802	Burrillville School Department	\$	45,999	\$	-	\$	45,999	Burrillville High School Lighting Project-no activity at this time. (Includes \$19,000 cash)	
DI1803	Committed Funds- Lighting & EE Projects	\$	21,566	\$	2,926	\$	18,640	Little General and Binn Building Lighting Projects	
DI1804	Consultation Fees	\$	250	\$	-	\$	250	There was no activity at this time.	
DI1805	Energy Star Commercial Appliance	\$	700	\$	-	\$	700	There was no activity at this time.	
DI1806	LED Street Light Incentive	\$	10,000	\$	10,000	\$	-	Public Street Lighting Project	
<b>Net Industrial/Commercial</b>		\$	79,015	\$	13,001	\$	66,014		
<b>Administrative</b>									
DA1801	Administrative	\$	21,000	\$	13,741	\$	7,259	Administrative labor, mileage, and supplies.	
DA1802	Funds for Follow-up to Successful Programs	\$	1,000	\$	270	\$	730	Residential audit	
DA1803	Outreach/Education	\$	7,500	\$	7,423	\$	77	Billing inserts, conservation materials, and the DEED membership.	
DA1804	Jesse Smith Library Partnership	\$	3,700	\$	365	\$	3,335	Labor, prizes for poster contest and materials.	
DA1805	Community Events	\$	8,031	\$	7,916	\$	115	Labor and materials.	
DA1806	Energy Efficiency Management continuing education	\$	2,500	\$	1,209	\$	1,291	Annual NEEP Conference	
DA1807	Program Research and Development	\$	500	\$	250	\$	250	CPACE Program	
<b>Net Administrative/Ad/Education</b>		\$	44,231	\$	31,174	\$	13,057		
<b>Estimated DSM 2018 Budget/ Expenses/ Balance</b>		\$	151,826	\$	62,617	\$	89,209		

Schedule D-1

(Includes \$19,000 carry over from 2017.)

## Schedule D-2

### Pascoag Utility District Demand Side Management Programs - 2018 Projected Expenses and Balances

Actual carry over from 2017	\$	37,894
Estimated sales for 2018	\$	113,932
Net 2018 budget	\$	151,826

	2018 Approved Budget	Projected Expenses	Projected Balance
<b><u>Residential Program</u></b>			
DR1801 ENE Residential Conservation Admin Fees	\$ 2,700	\$ 2,700	\$ -
DR1802 Home Energy Audits with Incentives	\$ 4,020	\$ 4,020	\$ -
DR1803 Energy Star Appliance Rebates	\$ 6,500	\$ 6,000	\$ 500
DR1804 Refrigerators/Freezer Buy Back	\$ 560	\$ 531	\$ 29
DR1805 Energy Efficient Windows/Doors	\$ 2,300	\$ 1,025	\$ 1,275
DR1806 Heating System Incentive	\$ 3,000	\$ 1,000	\$ 2,000
DR1807 ENERGY STAR qualified Water Heaters	\$ 600	\$ -	\$ 600
DR1808 Energy Star Lighting fixtures& ceiling/ventilation fans	\$ 650	\$ 450	\$ 200
DR1809 Home Office Equipment/Home Electronics	\$ 1,000	\$ 300	\$ 700
DR1810 New Construction	\$ 1,000	\$ -	\$ 1,000
DR1811 Central Air Conditioning	\$ 2,400	\$ 2,400	\$ -
DR1812 Change a Light Campaign	\$ 750	\$ 350	\$ 400
DR1813 Desk Calendars- with DSM rebate information	\$ 1,000	\$ 1,000	\$ -
DR1814 Committed for 2017 Programs	\$ 2,100	\$ 1,538	\$ 563
<b>Net Residential</b>	<b>\$ 28,580</b>	<b>\$ 21,314</b>	<b>\$ 7,267</b>
<b><u>Industrial/Commercial</u></b>			
DI1801 Energy Star Incentive - Office Equipment	\$ 500	\$ 125	\$ 375
DI1802 Burrillville School Department	\$ 45,999	\$ 45,999	\$ -
DI1803 Committed Funds- Lighting & EE Projects	\$ 21,566	\$ 21,566	\$ -
DI1804 Consultation Fees	\$ 250	\$ -	\$ 250
DI1805 Energy Star Commercial Appliance	\$ 700	\$ -	\$ 700
DI1806 LED Street Light Incentive	\$ 10,000	\$ 10,000	\$ -
<b>Net Industrial/Commercial</b>	<b>\$ 79,015</b>	<b>\$ 77,690</b>	<b>\$ 1,325</b>
<b><u>Administrative/Ad/Education</u></b>			
DA1801 Administrative	\$ 21,000	\$ 21,000	\$ -
DA1802 Funds for Follow-up to Successful Programs	\$ 1,000	\$ 1,000	\$ -
DA1803 Outreach/Education	\$ 7,500	\$ 7,400	\$ 100
DA1804 Jesse Smith Library Partnership	\$ 3,700	\$ 3,700	\$ -
DA1805 Community Events	\$ 8,031	\$ 7,916	\$ 115
DA1806 Energy Efficiency Management continuing education	\$ 2,500	\$ 2,200	\$ 300
DA1807 Program Research and Development	\$ 500	\$ 500	\$ -
<b>Net Administrative/Ad/Education</b>	<b>\$ 44,231</b>	<b>\$ 43,716</b>	<b>\$ 515</b>
<b>Estimated DSM 2018 Budget/ Expenses/ Balance</b>	<b>\$ 151,826</b>	<b>\$ 142,720</b>	<b>\$ 9,106</b>

## Schedule E

Pascog Utility District  
Savings Associated with Completed Conservation Projects  
January-June 2018

<i>Project</i>	<i>kWh Savings</i>	<i>Dollars (0.139/kwhr)</i>
Appliance Rebates	8151.00	\$ 1,538.31
Appliance Rebates Committed 2017	1706.00	\$ 237.13
Refrigerator/Freezer Buyback	6215.00	\$ 863.89
Home Office Equipment	214.00	\$ 29.75
Home Office Equipment Committed 2017	0.00	\$ -
Commercial Office Equipment	47.00	\$ 6.53
Central Air Conditioning	9973.00	\$ 1,386.25
Central Air Conditioning Committed 2017	0.00	\$ -
LED Lightbulb Rebates	1670.00	\$ 232.13
<b>Total:</b>	<b>27976.00</b>	<b>\$ 3,776.76</b>

**Additional Projects:****Notes:**

Residential Heating System Replacements (Gas)

Energy Cost Saved \$202

Energy Consumption Saved 12

Energy Consumption (Therms) 122

Residential Heating System Replacements (Oil)

Energy Cost Saved -\$63

Energy Consumption Saved (MMBTU) 5

Energy Consumption (Gallons) 38

Windows and Doors

7 Homes replaced 3 doors and 40 windows

Replacing single-pane windows could save between \$101-\$583 annually.

Replacing double pane windows could save you between \$27-\$197 annually.

**Committed Funds:**

Little General

5,570 kwrhs saved annually

.92 kW reduction

## Schedule E

**Pascog Utility District**  
**Savings Associated with Completed Conservation Projects**  
**July-October 2018**

<i>Project</i>	<i>kWh Savings</i>	<i>Dollars (0.139/kWhr)</i>
Appliance Rebates	7345.00	\$ 1,020.96
Appliance Rebates Committed 2016	0.00	\$ -
Refrigerator/Freezer Buyback	1517.00	\$ 210.86
Home Office Equipment	0.00	\$ -
Home Office Equipment Committed 2016	0.00	\$ -
Commercial Office Equipment	0.00	\$ -
Central Air Conditioning	2243.00	\$ 311.78
Central Air Conditioning Committed 2016	0.00	\$ -
LED Lightbulb Rebates	2820.00	\$ 391.98
<b>Total:</b>	<b>13925.00</b>	<b>\$ 1,935.58</b>

**Additional Projects:****Notes:**

Residential Heating System Replacements (Gas)

n/a

n/a

n/a

Residential Heating System Replacements (Oil)

n/a

n/a

n/a

Windows and Doors

4 Homes replaced 15 windows and 2 doors

Replacing single-pane windows could save between \$101-\$583 annually.

Replacing double pane windows could save you between \$27-\$197 annually.

**Committed Funds:**

Binn Building

1,569 kWh reduction

1.05 kW reduction

## Schedule F

### **Pascoag Utility District- Electric Department ("Department")**

#### **Demand Side Management Charge**

The following provisions will be apply to reflect charges collected under the Demand Side Management Program, pursuant to "An Act Relating to the Utility Restructuring Act of 1996", #96-H 8124 Substitute B, Section 39-2-1.2(b).

The District proposes to include a charge of 2.3 mills per kilowatt-hour delivered to fund a demand side management program and renewable energy resources. The allocation of this revenue between demand side management programs and renewable energy resources shall be determined by the Commission.

The District will submit semi-annual reports to the Commission documenting funds collected and expended. In the event that revenue collected over or under anticipated revenue, the Department shall apply to the Commission for an annual "true-up".

Approval Issued:

Requested Effective Date: January 1, 1998

Approval Date: March 20, 1998





## Schedule G

Estimate for Family Fair Expenses				
Expenses				
		Estimate		Actual
Total Expenses		\$2,330.00		
		Estimate	Actual	
<b>Labor</b>				
SA	\$225.00			
PC	\$220.00			
Totals	\$445.00		\$0.00	
<b>Misc. Items/ Handouts</b>				
Culver Items	\$2,000.00			
Totals	\$2,000.00		\$0.00	
<b>Advertisements</b>				
Totals	\$0.00		\$0.00	
<b>Totals</b>				
	\$2,445.00		\$0.00	
<b>Refreshments</b>				
Food Drinks for the RUD Staff	\$25.00			
Candy for the kids	\$50.00			
Totals	\$75.00			
<b>Program</b>				
Vendor Fee	\$10.00		\$0.00	
Totals	\$10.00		\$0.00	
<b>Totals</b>				
	\$85.00		\$0.00	

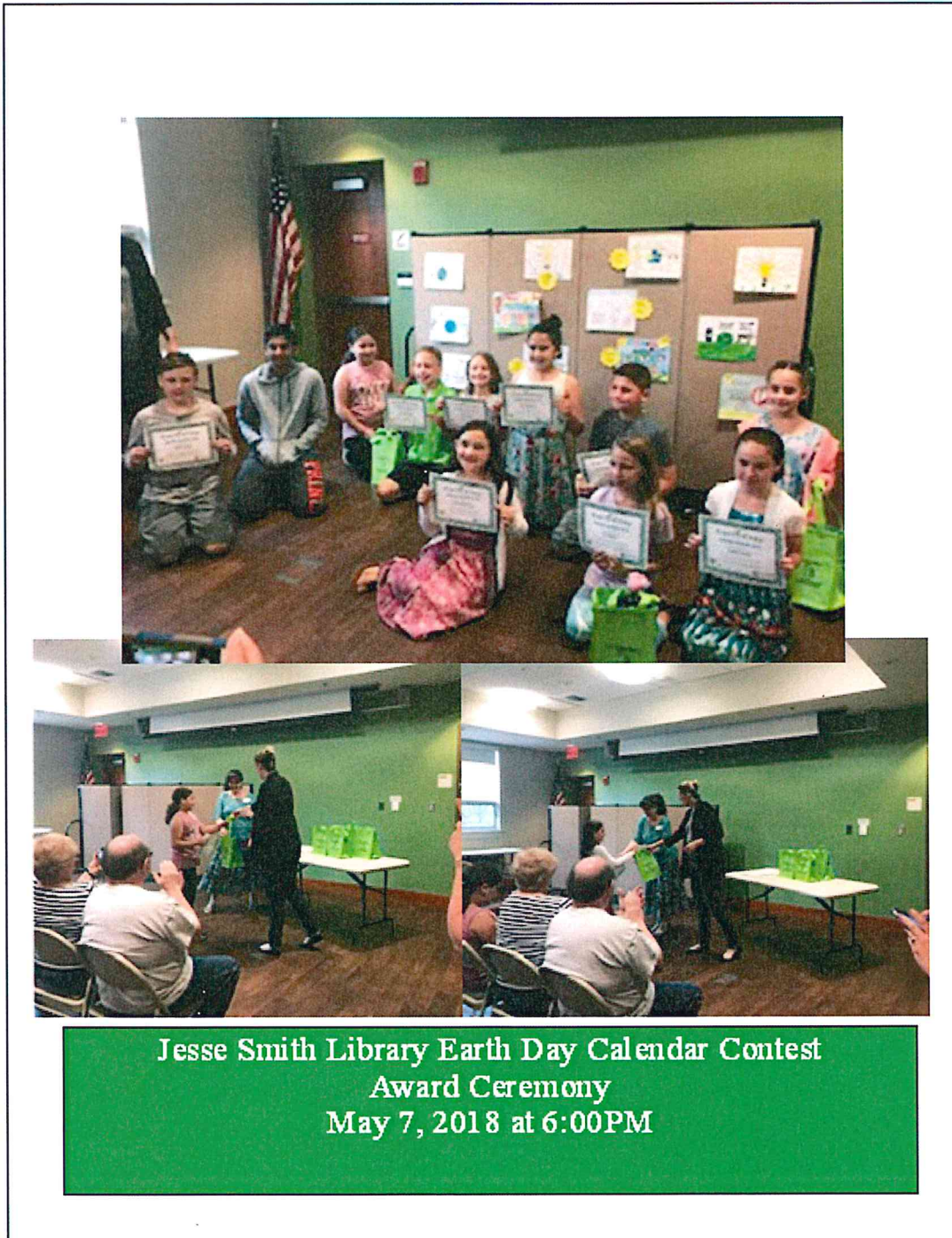
## Schedule G

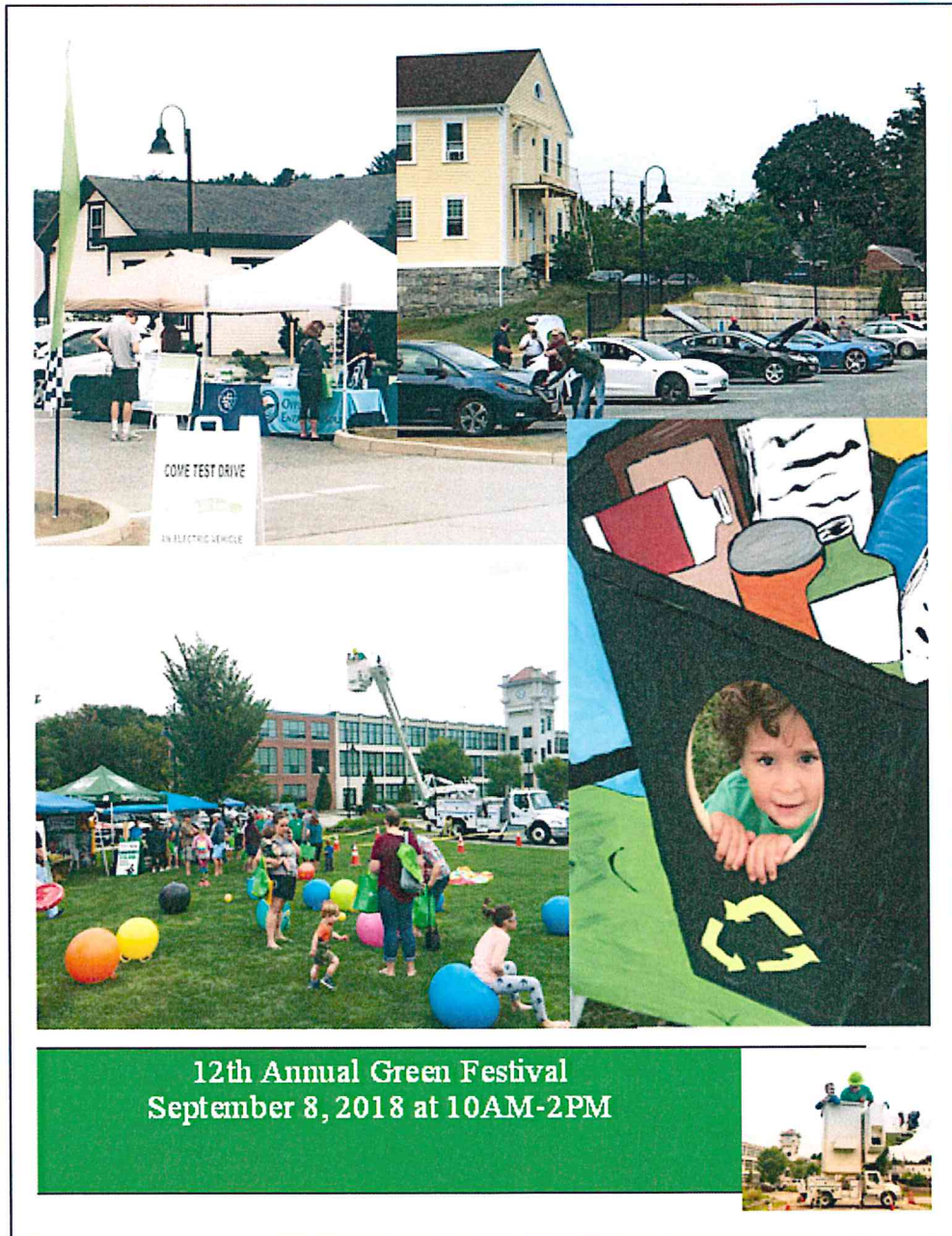
Estimate for Green Festival Expenses				
Expenses				
			Estimate	Actual
Total Expenses			\$9,525.00	
			Estimate	Actual
Labor				
Pre-event Labor		\$2,800		
Staff Labor-day of event		\$3,000		
Totals		\$5,800		\$0.00
Misc. Items/ Handouts				
Culver Items		\$2,500		
Fleet		\$85		
Totals		\$2,585		\$0.00
Advertisements				
Bargain Buyer Ad		\$325		
Photocopying/Printing		\$75		
Change Banner Dates		\$40		
Totals		\$440		\$0.00
Totals		\$8,825.00		\$0.00
Refreshments				
Food Drinks for the PUD Staff		\$250		
Candy for the kids		\$60		
Totals		\$310		
Program				
Misc. Items/Tshirts/Supplies		\$300		\$0.00
Raffle		\$90		
Totals		\$390		\$0.00
Totals		\$700		\$0.00



Steere Farm Elementary 4th Grade Field Trip  
February 15, 2018









## Schedule H

### 2018 Green Festival Vendors

---

1. Burrillville Recycling
2. Pascoag Utility District
3. ENE
4. Face Painting
5. Jesse Smith Library
6. Betty's Bees
7. Burrillville Historical Society
8. Save the Lakes
9. Pascoag Library
10. Burrillville Conservation
11. Burrillville Land Trust
12. Toxics Information Project
13. Rescom
14. Eco RI News
15. Melaleuca
16. URI Energy Fellows
17. Renewal by Anderson
18. Claude's Cycles
- 19.
20. NRI Now News
21. RIRRC
22. BPAC
23. RI Special Needs Registry
24. BFMA (10 vendors)
25. RIDOH
26. RIOER
27. People's Power and Light
28. Electric Cars- Dealerships

### Workshop Schedule

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(Held in the Jesse Smith Community Room)

#### **Drive Green! With People's Power & Light 11:30-12:00**

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The Jesse Smith Memorial Library will be holding a Drive Green workshop in its community room. The free, 30-minute workshop, put on by People's Power & Light, will let you know how you can save on an electric vehicle with their group discount, dispel some of those EV myths and more.

## Schedule H

PASCOAG UTILITY DISTRICT
BURRILLVILLE PARKS & RECREATION
BEMA
JESSE SMITH MEMORIAL LIBRARY



12TH ANNUAL SEPTEMBER 8, 2018 10-2PM

# GREEN FESTIVAL

**Pascoag Utility District & the Town of Burrillville's Parks and Recreation Department** are teaming up to hold the **12th Annual Green Festival** on **Saturday, September 8, 2018** from **10:00-2:00 PM** 100 Tinkham Lane, Harrisville RI 02830.

The Festival has something for everyone! Learn about local products and ideas that will help you **conserve energy** and create a more **sustainable lifestyle**. There will be **free** crafts, face painting and bucket truck rides for children. The **Jesse Smith Memorial Library** will be hosting workshops in their community room. There will be "Good times, good music" with local musician, **Jimmy Joel**. In addition to all the great vendors, workshops, and activities we'll have giant yard size Checkers, Twister, Connect 4 and many other fun games to play!!!

**The Event is free to the public!**



**National Drive Electric Week**

**Electric Car Show and Test Drive Event**

We'll have electric cars from Paul Masse Chevrolet, BMW of Warwick, and Central Mitsubishi to test drive! Switch to electric without switching up your everyday life.

For more info visit: <https://driveelectricweek.org/>

**Drive Green Workshop: 11:30-12:00**

Ever thought about purchasing or leasing an electric vehicle but have so many questions, you don't know where to begin? Join us for a free, 30 minute workshop where People's Power & Light will be on-hand to let you know how you can save on an electric vehicle with their group discount, dispel some of those EV myths and more!



**BURRILLVILLE FARMERS MARKET**

**The Burrillville Farmers Market** will be under the Pavilion selling their amazing vegetables, baked goods and other fine products. Stop by and see all the great things they have to offer!



**GOTTA Q SMOKEHOUSE B-B-Q**

**Gotta Q Smokehouse BBQ's** food truck will be on site offering lunch and snacks to purchase!



**First 500 attendees get free reusable bags packed with information and goodies!**





# GREEN BURRILLVILLE: FAMILY FUN INCLUDES TEST-DRIVING ELECTRIC CARS AT SATURDAY FESTIVAL

By  
Sandy Seoane

September 5, 2018



*A BMW i3, one of many cars available for test drives Saturday at the town's annual Green Festival.*

BURRILLVILLE – For years, Desarae Dolan and Andrea Hall have worked together toward a mutual goal: educating Burrillville residents about little ways they can live more sustainably.

It's a collaboration between municipal employees, and staff at a quasi-municipal utility company, that has grown the town's annual Green Festival over the past decade.

And as state agencies and other groups with an environmental focus become more involved, it could lead to the creation of several electric car charging stations right in town.

Residents will have the chance to explore the topic with an eye toward Burrillville's potentially greener future this Saturday, Sept. 8, when several makes and models of electric vehicles will be available for test drives at the town's 12th annual Green Festival.

The event will also include educational booths by some 30 "green" vendors, with tips for residents who would like to learn more about how to be more environmentally conscious.

Dolan, who serves as supervisor of administration for the Pascoag Utility District, gets credit for initially brainstorming the Green Festival concept.

"I had the idea when I first started here as a way to bring energy efficiency information to our customers, and interact with them," Dolan told *NRI NOW* this week.

The first year, employees of the utility district baked cupcakes, and the event was held in the parking lot of the company's Pascoag Main Street headquarters. The district serves some 5,000 electric customers in the village of Pascoag and a small portion of Harrisville.

"It was almost like an open house," Dolan said. "We used to have it right on the front lawn."

Each year, the festival added more vendors and soon the Burrillville Farmer's Market became involved, moving their community marketplace to the utility company for one Saturday each year. Activities like a chili cook off and pumpkin painting made it grow in popularity.

Around six years ago, Hall was hired as the town's director of both recycling, and Parks and Recreation, and her department got involved, eventually moving the event to the Stillwater Mills Pavilion in front of Jesse Smith Library.

"We realized we had a lot of the same goals," Dolan said of Hall. "It made sense to partner up."

On Saturday, guests at the pavilion will get green tips for every day life, and kids will enjoy a variety of fun, free activities including face painting, giant yard-size games and bucket truck rides.

Reusable bags packed with energy saving information, recycling tips and more will be given to the first 500 attendees.

Vendors will include town groups like the Burrillville Conservation Commission and the Burrillville Land Trust, along with environmentally-focused businesses such as EcoRI News and Claude Cycles – a dealer of electric bikes. "It's bringing a lot of different organizations to Burrillville that people might not find out about otherwise," said Dolan.

The Burrillville Farmers Market will also be on site with local fruits and vegetables, and Gotta Q Smokehouse BBQ will have lunch and snacks to purchase. Local musician Jimmy Joel will provide entertainment.

But for Dolan, the highlight in 2018 is the electric car show, a feature she says she's been hoping to bring to the festival for years.

"That's completely new," she said. "We've never done that before."

The electric car show was developed in coordination with the Rhode Island Office of Energy Resources, People's Power & Light, and the Rhode Island Department of Environmental Management's Air Quality division. Models on display will come from Paul Masse Chevrolet, BMW of Warwick, and Central Mitsubishi. Vehicles slated to be on hand include the BMW i3, Chevrolet Volt and Bolt EV, and the Mitsubishi Outlander PHEV, among others.

Chevrolet Volt

Guests will have the chance to ride and drive the vehicles in a non-sales environment and learn how to make the switch to an electric vehicle.

"I think there's a lot of misinformation about electric cars," Dolan said, noting that Pascoag Utility has been working closely with state agencies and town officials to explore the possibility of building ports for the vehicles.

"We're looking into putting electric charging stations in town."

The Jesse Smith Memorial Library will also host a Drive Green workshop in its community room during the festival. The free, 30-minute workshop, put on by People's Power & Light, will provide information on how drivers can save on an electric vehicle with their group discount, will aim to dispel some electric vehicle myths.

A raffle will be held with donated items from various local businesses and green vendors. All proceeds from the raffle will be donated to the Burrillville Weekend Snack Pack Program, a not for profit joint effort between Burrillville Parks and Recreation, the Burrillville Lions Club, the Jesse M. Smith Memorial Library, and the Berean Baptist Church to provide weekend food for at-risk Burrillville youth.

Asked why the utility district promotes an environmental focus, Dolan noted that the company uses green sources whenever they can.

“I think as a public power utility we have a responsibility to the community,” she said. “We just try to be a good citizen to Burrillville.”

The Green Festival will be held on Saturday from 10 a.m. to 2 p.m. at the pavilion at 100 Tinkham Lane, Harrisville.

The rain date for the event is Saturday, Sept. 22.

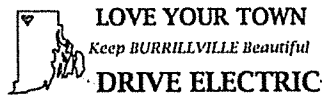
For more information on the free family event, contact Pascoag Utility District at 401-568-6222 x223 or the town of Burrillville Parks & Recreation Department at 401-568-9470 or visit [www.pud-ri.org/greenfestival](http://www.pud-ri.org/greenfestival).



# BURRILLVILLE PRIMED TO GO ELECTRIC: NEW TOWN CAR, CHARGING STATIONS APPROVED BY TOWN COUNCIL

By  
Sandy Seoane

September 27, 2018



BURRILLVILLE – The town of Burrillville will soon own a 2018 Nissan Leaf S pending a grant from the state Office of Energy Resources – a fully electric vehicle used to promote Rhode Island’s goal of moving toward a cleaner environment.

The car will be leased for three years with the help of a \$7,500 rebate from OER. The total cost of the new car is \$9,884, but with the rebate, the price to the town comes up to \$2,384, to be paid from the waste disposal recycling account.

The Town Council unanimously approved the purchase on Wednesday, Sept. 26, also authorizing the Department of Public Works to purchase a residential charging station from Amazon at a cost of \$599.

Pascoag Utility District has been involved with the project, researching several dealerships to find the best deal, and ultimately choosing a car from Speedcraft Nissan in West Warwick.

“It serves as an inexpensive opportunity to pilot the project and see if the town could benefit from using electric cars in their fleet in the future,” explained a letter on the proposal from the DPW to Town Manager Michael Wood. “This rebate may not be funded in 2019, so this is a good, lost cost opportunity to have an EV as part of the town fleet.”

Town officials will monitor how much is saved through use of the car, comparing the cost of fueling the electric vehicle with the price of gas. The letter noted that the price to charge the Nissan is \$3.33, while the current average price for gas is \$2.86 per gallon, or \$34.32 to fill a 12 gallon tank.

“Electric cars will be good for both for both public relations as well as the environment, reducing emissions in town,” the letter from DPW Director Jeffrey McCormick and Recycling Coordinator Andrea Hall noted. “It also shows the community that the town is committed to practices that are not only economical, but environmentally friendly.”

Wood pointed out that purchase amounts to adding a new car to the town fleet for just \$2,384.

"You can basically get a brand new vehicle for three years on a lease," said Wood. "If we don't get the grant, we're not going to buy the vehicle."

Desiree Dolan, supervisor of administration for the PUD, told *NRI NOW* this week that she has been speaking with officials at OER, and is hopeful she will get a commitment letter for the purchase within the next few days.

"I've been helping them because it's something we wanted to see happen," Dolan said of the grant process. "It's going to move very fast."

Through a second grant from OER, the town plans to install permanent charging stations by the playground at the Stillwater Mill pavilion and near the bike path behind the PUD office on Pascoag Main Street. That grant for up to \$60,000 will be used to get the stations in the ground before the first frost, with DPW to do the trenching and landscape work, and company Verdek to complete the installation. PUD will install any equipment needed to hook the stations up to the grid.

"Everybody is in line for it pending this funding," said Dolan.

The car itself will be used by Hall in her travels to town meetings, schools and on other town business, and will have a magnetic logo with the words "Love Your Town, Keep Burrillville Beautiful: Drive Electric." The portable charger from Amazon is expected stay with the vehicle.

Councilor David Place noted that the town's recycling fund, which currently has a balance of \$50,000, is a quasi-restricted account.

"There's only certain things that we can do with that money anyway," Place said.

Councilor Donald Fox said of the project, "I think this is something worth experimenting with, particularly if they're going to provide that grant."

## Schedule I –Customer Information



## **Energy Star Products Help You Save!**

### **Do you know you could be getting a rebate for the Energy Star products you buy?**

It's easy! Fill out an Energy Star rebate form by picking one up at the Pascoag Utility District office or downloading it from our website. Mail or drop off the form with proof of purchase and proof of the Energy Star label. The rebate then gets credited to your electric account.

#### **We offer rebates on Energy Star rated:**

- Commercial Appliances
  - Clothes washers
  - Vending Machines
  - Water Coolers
  - Kitchen Packages
  - Dishwashers
  - Fryers
  - Griddles
  - Hot Food Holding Cabinets
  - Ice Machines
  - Refrigerators/Freezers
  - Steam Cookers
- Office Equipment and Electronics
  - Computers
  - Displays
  - Imaging Equipment
  - Uninterruptible Power Supplies
  - Audio/Video Equipment
  - Cordless Phones
  - Televisions
  - And more!

#### **We also provide:**

- **Free business energy audits!** Call 401-568-6222 x223 to schedule yours today!
- Incentives for qualified lighting and energy efficiency projects.

**For more information on how to qualify for an Energy Star rebate, please visit us on the web at:**

<http://www.pud-ri.org/conservation/download-rebate-forms>

This offer is for a limited time only, subject to availability of funding.



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#### **We offer rebates on Energy Star rated:**

- Appliances
- Central Air Conditioning
- Electric Heat Pump Hot Water Heaters and Solar Water Heaters used in combination with an Electric Tank Water Heater
- Heating System or Burner Replacement
- Home Office Equipment and Electronics
- LED Light Bulbs
- Lighting Fixtures, Ceiling and Ventilation Fans
- New Construction
- Windows and Doors

#### **We also provide:**

- **Free home energy audits** with rebates available for follow up audit measures. Call 1-888-772-4242 to schedule yours today!
- Rebates when you get rid of an old running refrigerator or freezer.

**For more information on how to qualify for an Energy Star rebate, please visit us on the web at:**

<http://www.pud-ri.org/conservation/download-rebate-forms>

This offer is for a limited time only, subject to availability of funding.

## **TEN NO COST/LOW COST TIPS TO SAVE ON YOUR ENERGY BILL**

- 1) **Bundle up your home** - Hidden gaps and cracks in the home can add up to as much air-flow as an open window. The more heat that escapes, the more cold air gets in, causing your heating system to work harder, use more energy, and costing you energy \$\$'s. Start by sealing air leaks and pay special attention to your attic and basement, where the biggest gaps and cracks are often found. Weatherizing can be done economically using materials such as caulking, weatherstripping, and insulation...where needed.
- 2) **Put on a sweater and save a few dollars** - For every notch you raise the thermostat, your bill increases up to 3%. Try reducing the temperature if possible. Turning down the thermostat by 10 degrees at night or when the house is unoccupied can save as much as 20% of heating costs. But remember, small children and the elderly in particular may be vulnerable to problems at lower temperatures, so reduce the temperature gradually to give your body time to adjust to the new temperature level.
- 3) **Let the sunshine in** - Be sure to open draperies and blinds on sunny days to let the sunlight warm your home. But remember to close them at night and on overcast days.
- 4) **Don't light up the whole room** - Most of us know to turn off the lights when we leave a room. However even while in a room, if a small reading lamp can be used, just light up your area instead of the whole room. Of course also replacing incandescent light bulbs with compact fluorescents (CFL's) or light emitting diodes (LED's) can save considerably over the life of the bulb.
- 5) **Get a heating system tuneup** - A heating and cooling professional can perform an annual inspection and routine maintenance to make sure your furnace is operating at peak performance.
- 6) **Keep the damper closed on your fireplace when not in use** - If you keep the damper open, all the heat you are paying for is going right out the chimney. Remember if the damper is not closed; it's like having a window open in the middle of winter....a waste of energy, money and not very comfortable....brrrrr.
- 7) **Reduce hot water temperature** - Set your water heater to the "normal" setting of 120 degrees, unless the owner's manual for your dishwasher requires a higher setting. You could save 7-11% of water heating costs.
- 8) **Shorten showers** - Simply reducing that lingering time by a few minutes can save hundreds of gallons of hot water per month for a family of four. Showers account for 2/3 of your water heating costs. Cutting your showers in half can reduce hot water costs by 33%.
- 9) **Discontinue the use of that older second refrigerator** - Got an old beer fridge in the basement or worse, in the garage? Unplug it and make the trek to your kitchen refrigerator. It will be good for your heart and your energy bill.
- 10) **Make use of your oven's leftover heat** - An oven will keep its heat for about 15 - 20 minutes after it is turned off. Use this heat to keep things such as second courses, desserts, or anything else that may need to be kept warm.

**BROUGHT TO YOU BY PASCOAG UTILITY DISTRICT**



## Refrigerators & Freezers – Tips and Facts

Two major appliances with a voracious appetite for power are the refrigerator and the freezer. Refrigerators are power pigs, scarfing up to 7% of your electric bill and freezers are among the most significant energy-consuming appliances in the average home. In most cases only space conditioning (heating and cooling) and water heating use more energy. While most people are aware of the importance of saving energy on heating, cooling, and water heating, the energy consumed by refrigerators and freezers is often overlooked.

How much is that 6-Pack Costing you? If you have a second refrigerator in your garage or basement it's probably costing more than you think...as much as \$100 per year! That's a stiff price to pay to keep a few beverages cool.

The temperature of the air around a refrigerator significantly affects its energy usage. Don't keep a refrigerator in the garage, near heat sources such as ranges, stoves or dishwashers or in direct sunlight. A refrigerator or freezer located in a garage or area where temperatures reach 90° F or higher can use a significant amount of energy – as much as 45-50% more. Give a refrigerator space and allow for good air circulation around the coils.

Likewise, if ambient air temperature drops below about 40 degrees Fahrenheit, the thermostat on the refrigerator may not run its cooling and defrost cycles for the appropriate amount of time. And refrigerators are not designed to heat their interiors, so placing a refrigerator in an environment that is below freezing may result in the freezing of your foods.

As with refrigerators, the garage is a bad place to keep a freezer because they use a significant amount of energy in rooms with temperatures at or above 90° F. Because of less thermal spillage and better insulation, chest freezers do use less energy than upright models.

**Refrigerator Maintenance** - Because these appliances run every day, small steps taken to improve their efficiency can leap into giant savings over the course of a year.

- **Prolong the life of the refrigerator gasket sealing by wiping it regularly with warm water. Once the gasket starts deteriorating, you're in for a big waste of energy and money. Test the quality of the seal by closing the door on a sheet of paper. The sheet should be firmly anchored. Repeat the test along the length of the gasket. Adjust the door hinges or replace the gasket if the seal is bad.**
- **A dusty condenser coil reduces a refrigerator's efficiency and shortens it's life. Clean it several times a year with a coil brush or a soft bristle attachment on a canister-style vacuum cleaner. Unplug the refrigerator first. Cleaning coils regularly will help your refrigerator run more smoothly, which means lower energy usage.**
- **Always follow the manufacturer's recommendations, and disconnect the power before performing ANY maintenance on your refrigerator.**

**Facts to Consider** - A ten year-old refrigerator or freezer can cost considerably more to operate than a new energy-efficient model of the same size. Improvements in the design of compressors and cooling coils, better insulation, tighter door seals, and other design improvements all contribute to the higher efficiencies of newer

**Energy Star** qualified refrigerators and freezers provide energy savings without sacrificing the features you want. When considering the purchase of a new refrigerator or freezer, look for the **Energy Star** label. It looks like this:



The **Energy Star** label is designed to help consumers identify appliances that have been rated by the federal government as the most energy-efficient products on the market. Appliances with an **Energy Star** label exceed existing federal efficiency standards, typically by 13% to 20%, and as much as 110% for some appliances.

***Brought to you by Pascoag Utility District***



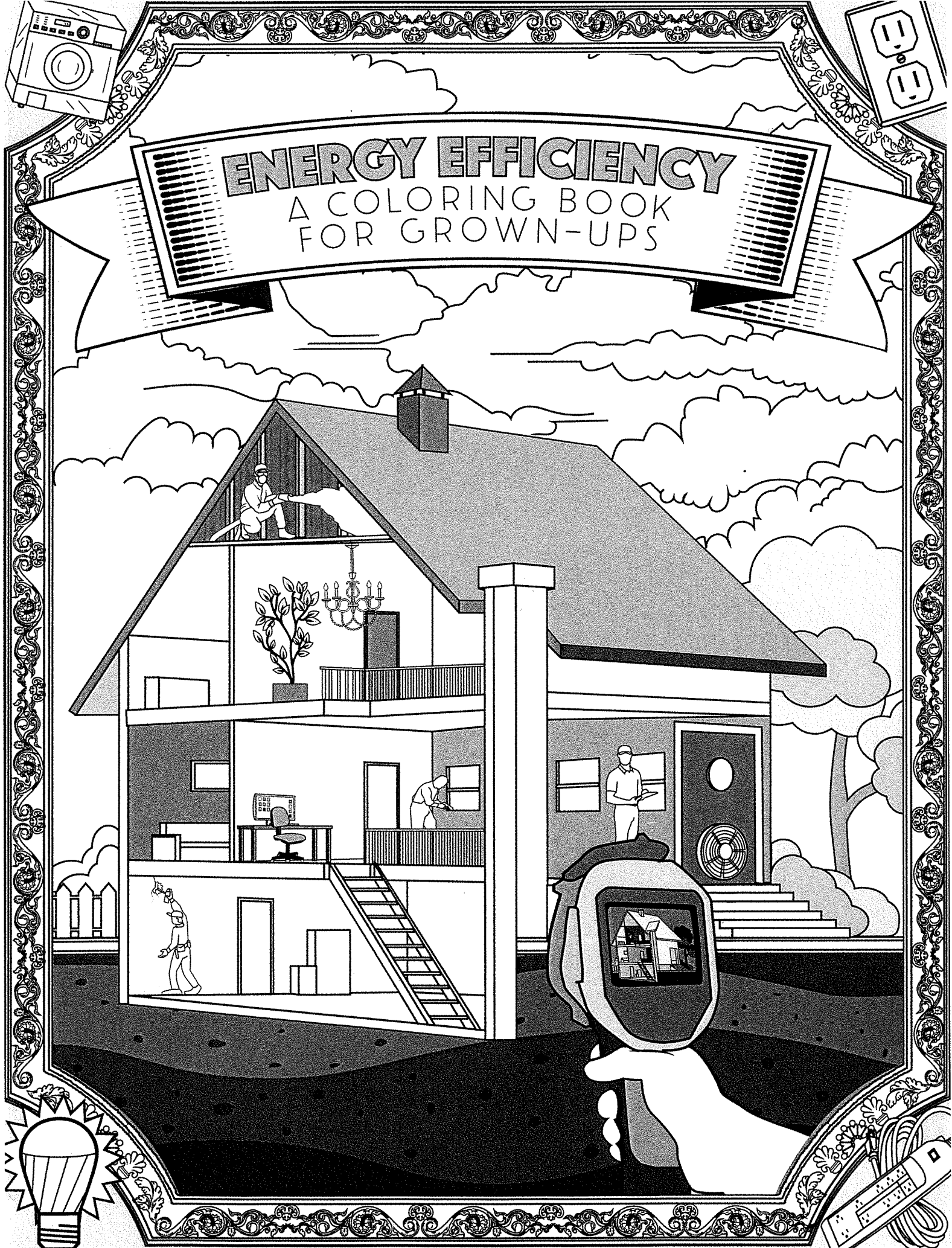
A black and white photograph of a woman with long dark hair, smiling and sitting on a patterned couch. She is wearing a light-colored short-sleeved shirt and jeans. To her left is an open front-loading washing machine. She is holding a white towel or piece of laundry. The background shows a stack of folded towels on a shelf.

# Energy Matters in Your Home

**A Guide to Saving Energy and  
Money Provided by Your Local  
Public Power Utility**

# ENERGY EFFICIENCY

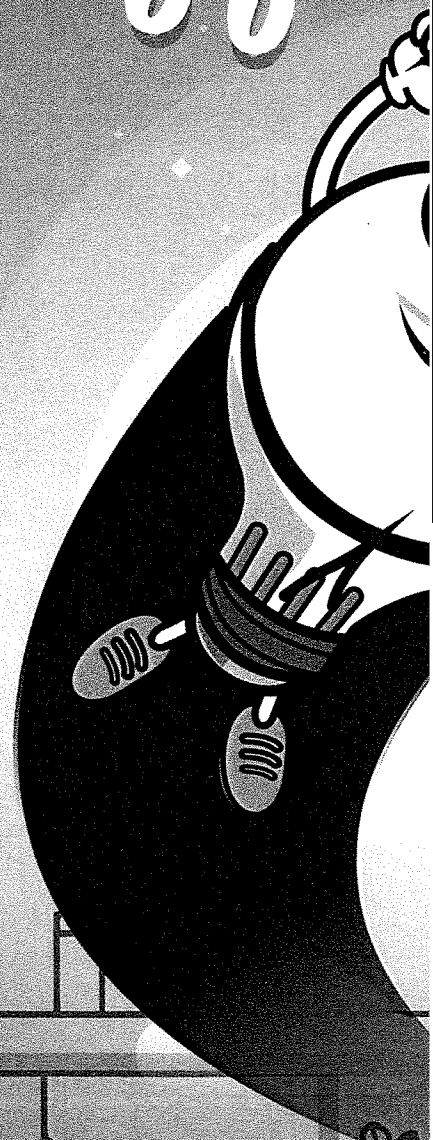
A COLORING BOOK  
FOR GROWN-UPS





Excited

Effi



## Schedule J- 2018 Lighting Project Information

## Little General



**PASCOAG**  
UTILITY DISTRICT

### Little General Store

#### Financial Summary

Total Project Cost	\$	8,673
Estimated PUD Incentive	\$	(2,928)
Customer Net Cost	\$	5,744
Estimated Energy Cost Savings Annually	\$	960
Estimated Maintenance Savings	\$	352
Return on Investment (ROI)		23%
Simple Payback in Years		4.4

#### Energy Savings

kW Reduction	kWh Reduction
1.06	6,400

#### Pollution Savings

CO2 Reduction (lbs)	NOx Reduction (lbs)	SO2 Reduction (lbs)
6,144	1.6	0.2



Facility Name  
Little General Store  
Facility Address  
485 Chapel St.  
City, State, Zip  
Harrisville RI 02830  
Contact  
Diane

ECM: Lighting & Sensors

LOCATION			EXISTING CONDITIONS							PROPOSED CONDITIONS							SENSOR DETAIL		ENERGY SAVINGS	
Line Item	Room Name	Fixture Type	Existing Device Code	Existing Fixture Type	Fixt Qty	Existing Hours	Watts	kW	MWh	Proposed Device Code	Proposed Fixture Type	Fixt Qty	Proposed Hours	Watts	kW	MWh	Sensor Model #	Sensor Qty	kW Saved	MWh Saved
1	BACK OFFICE	C1	2F32SSE	2F32T8 2X4 WITH REFLECTOR	1	8760	60	0.06	526	1L030	KIT 30W LED 2X4 RECESSED	1	5694	30	0.03	171	W201	1	0.03	355
2	BACK ROOM	A1	2F32SSE	2F32T8 8' IND.	2	5950	60	0.12	702	1L033	NF 33W LED 8' WRAP	3	5850	33	0.10	579			0.02	123
3	BACK BATH ROOM	I1	1C0023E	23W CFL SCREW IN	1	5950	25	0.03	146	1L007	NL 7W LED A19 SCREW IN	1	3802.5	7	0.01	27	W201	1	0.02	120
4	BACK ROOM	B1	1F40SEM	1F34T12 4' PLUG IN	1	5950	40	0.04	234	000-001	NO REC	1	5950	40	0.04	234			0.00	0
5	FRONT RETAIL AREA	C1	2F32SSE	2F32T8 2X4 WITH REFLECTOR	17	5950	60	1.02	5,967	1L030	KIT 30W LED 2X4 RECESSED	17	5950	30	0.51	2,984			0.51	2,984
6	FRONT RETAIL AREA	D1	2F32SSE	2F32T8 2X2 U6" RECESSED	3	5950	60	0.18	1,053	1L020	KIT 20W LED 2X2 RECESSED	3	5950	20	0.06	351			0.12	702
7	COOLER WALK - IN	A2	2F32SSE	2F32T8 8' VAPOR PROOF	1	5950	60	0.06	351	1L025	KIT 25W LED 8' VAPOR PROOF	1	5950	25	0.03	146			0.04	205
8	COOLER REACH - IN	B2	1F32SSE	1F32T8 4' CENTER	1	5950	30	0.03	176	1L011	11W CENTER VERTICAL	1	5950	11	0.01	64			0.02	111
9	COOLER REACH - IN	B2	1F32SSE	1F32T8 4' CENTER	2	5950	30	0.06	351	1L011	11W CENTER VERTICAL	2	5950	11	0.02	129			0.04	222
10	FREEZER REACH - IN	B3	1F32SSE	1F32T8 4' SIDE AND TOP OF SIGN	1	5950	30	0.03	176	1L006	6W SIDE VERTICAL	1	5950	6	0.01	35			0.02	140
11	FREEZER REACH - IN	B4	1F40SEM	1F34T12 4' SIDE	1	5950	40	0.04	234	1L006	6W SIDE VERTICAL	1	5950	6	0.01	35			0.03	199
12	FRONT OVERHANG	A2	2F32SSE	2F32T8 8' VAPOR PROOF	2	5950	60	0.12	702	1L025	KIT 25W LED 8' VAPOR PROOF	2	5950	25	0.05	293			0.07	410
TOTALS					33			1.79	10,617			34			0.87	5,047		2	0.92	5,570



## Binn Building



*Division of Thielsch Engineering, Inc*

1341 Elmwood Avenue

Cranston, Rhode Island 02910



**PASCOAG**  
UTILITY DISTRICT

### Binn Building

#### Financial Summary

Total Project Cost	\$	2,369
Estimated PUD Incentive	\$	(507)
Customer Net Cost	\$	1,863
Estimated Energy Cost Savings Annually	\$	251
Estimated Maintenance Savings	\$	127
Return on Investment (ROI)		20%
Simple Payback in Years		4.9

#### Energy Savings

kW Reduction	kWh Reduction
1.05	1,569

#### Pollution Savings

CO2 Reduction (lbs)	NOx Reduction (lbs)	SO2 Reduction (lbs)
1,506	0.4	0.0



Facility Name  
Binn Building  
111 Chapel St.  
Harrisville RI 02830  
City, State, Zip  
Contact  
Raymond J. Tinguet

ECM: Lighting & Sensors

LOCATION				EXISTING CONDITIONS							PROPOSED CONDITIONS							ENERGY SAVINGS		
Line Item	Building	Floor	Room Name	Fixture Type	Existing Device Code	Existing Fixture Type	Fixt. Qty	Existing Hours	Watts	kW	kWh	Proposed Fixture Type	Fixt. Qty	Proposed Hours	Watts	Load	kW	kWh	kW Saved	kWh Saved
1			MAIN HALL	A1	4F32SSE	4F32T8 8' WRAP	6	1500	112	0.67	1,008	RETRO w/4 LED 15W LAMPS	6	1500	55	330	0.33	495	0.34	513
2			BATHROOM	I1	110060	60W INC S/I	1	1000	60	0.06	60	7W LED A19	1	1000	7	7	0.01	7	0.05	53
3			NEW KITCHEN	I2	1C0032S	32W CIRCLINE	1	1500	34	0.03	51	12W LED DRUM	1	1500	12	12	0.01	18	0.02	33
4			MEETING ROOM	B1	2F32SSE	2F32T8 4' WRAP	9	1500	60	0.54	810	RETRO w/2 LED 15W LAMPS	9	1500	25	225	0.23	338	0.32	473
5			RESTROOM	I1	110060	60W INC S/I	1	1000	60	0.06	60	7W LED A19	1	1000	7	7	0.01	7	0.05	53
6			BOILER ROOM	I1	110060	60W INC S/I	1	500	60	0.06	30	7W LED A19	1	500	7	7	0.01	4	0.05	27
7			BACK DOOR	I3	110060	60W INC S/I	1	2000	60	0.06	120	10W LED WALLPACK	1	2000	10	10	0.01	20	0.05	100
8			FRONT DOOR	I1	110060	60W INC S/I	2	2000	60	0.12	240	7W LED A19	2	2000	7	14	0.01	28	0.11	212
9			SIDE JELLY JAR	I1	110060	60W INC S/I	1	2000	60	0.06	120	7W LED A19	1	2000	7	7	0.01	14	0.05	106
			TOTALS				23			1.67	2,499		23			619	0.62	930	1.05	1,569

## Schedule K- Supporting Documents



## **Strategies to Enhance Energy Efficiency in Pascoag Utility District**

Rhode Island Office of Energy Resources & Pascoag Utility District

2018.5.1

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### *Existing Energy Efficiency Successes in Pascoag*

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Pascoag Utility District (PUD) has a record of investing in energy efficiency programs to help their customers save energy and lower utility bills. Despite limited administrative resources dedicated to energy efficiency program management, an impressive 300 residential customers and one-dozen non-residential customers participate in incentive and rebate programs annually.

Currently, PUD customers pay a Systems Benefit Charge (SBC; also called an Energy Efficiency Charge) of 2.3 mills. This charge allows for an energy efficiency program budget of roughly \$130,000 and results in average monthly (annual) ratepayer costs of \$1.15 (\$13.80).<sup>1</sup> For investments across all customer types, annual energy savings in the District have ranged between 50,000 and 190,000 kWh between 2015 and 2017.

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### *Framework for Program Development*

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The Rhode Island Office of Energy Resources (OER) is Rhode Island's lead state agency on energy policy and programs. The mission of OER is to lead Rhode Island to a secure, cost-effective, and sustainable energy future. To do so, OER works closely with stakeholders, ratepayers, and utilities to leverage, coordinate, and align clean energy efforts. OER's familiarity with energy efficiency programs and initiatives within the state and across the region provides a strong foundation for technical assistance and program development support.

The purpose of this document is to identify strategies for enhancing and expanding access to PUD's energy efficiency programs. OER has a history of partnering with Rhode Island's local utilities on clean energy projects. For example, OER developed and implemented a pilot energy efficiency program in the Town of New Shoreham in 2015-2017.<sup>2</sup> OER has also recently partnered with PUD to support

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<sup>1</sup> Based on monthly electricity consumption of 500 kWh.

<sup>2</sup> Full report is available here: <http://www.energy.ri.gov/reports-publications/>



investments in high-efficiency LED streetlighting.<sup>3</sup> OER is interested in establishing a multi-year partnership with PUD to strengthen energy efficiency programs and institutional capacity within the District and help the local utility to foster substantial energy savings and other system benefits for its customers. To support this effort, along with providing staff and technical support, OER recently allocated \$100,000 in state Regional Greenhouse Gas Initiative (RGGI) proceeds to spur cost-effective efficiency investments in 2018-2019.

The following strategies were identified collaboratively through discussions with the PUD management team. Strategy elements are prioritized based on need, available funding, ease and timing of implementation, and impact to the community. Most strategies rely on a pilot program to understand challenges unique to PUD and thoughtfully develop a full-scale program, if appropriate. OER proposes to leverage state Regional Greenhouse Gas Initiative (RGGI) funds to support pilot implementation.

In developing these strategies, PUD and OER follow three guiding principles to enhance or expand existing energy efficiency programs and ensure long-term sustainability. First, we recognize the substantial benefits that cost-effective energy efficiency can provide to ratepayers, our economy and environment, and the utility. Energy efficiency not only lowers utility bills for participating customers, but also reduces greenhouse gas emissions, supports job creation and other economic development benefits, and is a powerful tool for long-term distribution infrastructure planning.

Second, we consider the historical context of energy efficiency program funding by PUD customers and PUD's commitment to keeping energy costs as low as possible for all customers. Budget requirements of any full-scale program enhancement or expansion must be financially sustainable. If long-term funding were to come through SBC collections, changes should be relatively small and gradual to avoid perceived volatility or customer bill shock.

Third, we recognize PUD management's limited bandwidth. PUD operates efficiently on a small staff, which minimizes administrative cost burdens on local consumers. PUD and OER are careful to propose strategies that do not substantially increase the workload for PUD staff. For each proposed strategy, we outline how to scale the initiative into a full program with sustainable implementation and how to build out institutional capacity or relationships with third-party vendors, as needed.

We present both administrative recommendations and programmatic strategies. We organize programmatic strategies into three phases, based on timing and scale.

*Phase 1 Programmatic Strategies* are the low-hanging fruit that can make a sizeable impact with relatively little upfront research or funding. Phase 1 Programmatic Strategies can begin in 2018 as pilots or research, with full-scale implementation in 2019.

*Phase 2 Programmatic Strategies* require more substantial program development and, in most cases, would require additional sustainable funding to cover the costs of full-scale implementation. We anticipate Phase 2 Programmatic Strategies could grow to full-scale implementation in 2020.

*Phase 3 Ideas* cover more innovative energy efficiency program development ideas and rely on external dependencies for full-scale implementation. We anticipate these ideas could come to fruition in 2021-2022.

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<sup>3</sup> See allocations of state Regional Greenhouse Gas Initiative (RGGI) proceeds outlined in the 2015 RGGI Allocation Plan: <http://www.energy.ri.gov/documents/rggi/2015%20Plan%20Items/2015%20RGGI%20Allocation%20Plan.pdf>

All figures in this document are estimates for illustrative purposes only, and are subject to change pending further research and analysis.

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### *Administrative Recommendations*

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#### **Administrative Recommendation #1: Align energy efficiency funding more closely with sector SBC contributions**

***Timeframe and Funding Considerations:*** Alignment could begin in 2019. No additional funding required.

***Explanation:*** We recommend aligning residential and non-residential program budgets more closely with SBC collections to ensure equity among these segments. Retail sales in 2018 for residential and non-residential sectors are forecasted to be 34,180 MWh and 22,786 MWh, respectively. Residential sales account for 60% of total sales while non-residential sales make up the remaining 40%. All customers incur a uniform SBC of 2.3 mills per kWh. Of the \$130,000 in 2018 program funding, residential programs receive roughly one-third (32.3%) the total budget while non-residential programs receive two-thirds (67.7%). Relative to sales and resulting SBC collections, residential customers are underserved while non-residential customers are proportionally overserved.

#### **Administrative Recommendation #2: Account for and report on full costs and benefits as defined in the Rhode Island Cost-Effectiveness Test**

***Timeframe and Funding Considerations:*** Suggest incorporating benefit-cost analysis into 2019 filing. Consulting experts can assist, but it may require an increase in administrative budget costs.

***Explanation:*** PUD currently tracks program costs and energy savings. While a solid foundation for program development and evaluation, there are other costs and benefits that should be included in the decision-making process. These costs and benefits are outlined through the Rhode Island Test, and include benefits and costs to the utility system, customers, and society (e.g. environmental benefits of reduced greenhouse gas emissions and economic development impacts).<sup>4</sup>

Understanding the full costs and benefits of programmatic decisions can help PUD optimize its portfolio of energy efficiency offerings and ensure PUD's energy efficiency programs are cost-effective. We also recommend developing a method to determine optimal incentive levels using benefit-cost data and market research as appropriate.

We recognize that tracking these costs and benefits and reporting on cost-effectiveness is administratively burdensome. Therefore, we recommend hiring a consulting firm that has prior expertise in cost-effectiveness testing and best practices for energy efficiency portfolio optimization and program development. Through its close work with the Energy Efficiency and Resource Management Council (EERMC) and its consultant team, OER is well-positioned to advise on best practices and consultant needs. OER can provide technical expertise with drafting a Request for Proposals, including a scope of work, and reviewing consultant proposals with PUD staff.

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<sup>4</sup> For more information, see Rhode Island Public Utilities Commission Docket 4600.



**Strategy #1: Decrease energy burden and address energy-related school construction priorities Burrillville Public Schools located within the Pascoag District**

**Timeframe and Funding Considerations:** Funding from 2018 RGGI Allocation Plan A (Q2/Q3 2018) could assist school projects beginning in summer 2018.

**Motivation:** Rhode Island Department of Education School Building Authority identified serious school construction priorities across Rhode Island. These priorities were echoed by the Schools Task Force in their recommendations to the Governor in December 2017. Reducing energy use and costs through efficiency improvements in schools is one element of school construction priorities and would allow schools to reallocate cost savings to other projects. Comprehensive energy efficiency has additional benefits for health and education outcomes.

Burrillville Schools have received energy assessments within the past several years and have a clear idea of the energy efficiency measures needed. The schools have recently started to work with PUD on upgrading lighting in all school buildings within PUD service territory. Upgrading lighting is a substantial first step to reducing school energy costs, the savings from which can help pay for more additional energy efficiency projects, other construction priorities, or other school needs.

The total cost of previously-identified lighting projects for Burrillville schools in PUD territory is nearly \$400,000, not including costs of additional comprehensive energy efficiency improvements. PUD is able to provide \$130,000 in incentives over a multiyear period to reduce the net cost to Burrillville schools to roughly \$270,000 for efficient lighting upgrades. If the 2018 state budget legislation allows Housing Aid to be combined with financing through the Efficient Buildings Fund, the schools will be in a good position to finance the costs of their lighting projects.

However, we want to encourage the schools to undertake additional, more comprehensive energy efficiency measures, such as the measures identified in their Efficient Buildings Fund (EBF) application in 2016 for Burrillville High School and Steere Farm Elementary School. Doing so will have a more significant long-term impact on reducing school energy use, cost, and greenhouse gas emissions, among other benefits like improved comfort, indoor air quality, etc. Therefore, a further offsetting costs with additional support may be warranted.

**Action:** OER has allocated \$100,000 of RGGI funding to enhance energy efficiency opportunities in the PUD community.<sup>5</sup> Some portion of this funding allocation could help further offset the cost of lighting upgrades and encourage the schools to consider additional comprehensive energy efficiency measures.

**Impact:** The lighting upgrades are estimated to save over 400 MWh in annual electricity use<sup>6</sup> and over \$50,000 in annual utility bill costs. Over the 20-year life of the high-efficiency lighting upgrades, Burrillville schools will see a savings of over \$1,000,000.

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<sup>5</sup> Proposed 2018-A Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds, 5.4.2.f: <http://www.energy.ri.gov/documents/rggi/2018%20Plan%20Items/2018-A%20Proposed%20RGGI%20Allocation%20Plan%202-21-18.pdf>

<sup>6</sup> 400 MWh savings represent a roughly 17% reduction in aggregate annual energy use for Callahan School, Levy School, Steere Farm School, and the High School and Rink.

From Burrillville School's EBF application in January 2016, there were twenty energy efficiency measures identified for the High School and Steere Farm Elementary School (including the lighting upgrades for these schools). The total cost of these measures was just over \$2.3 million, resulting in \$215,000 in annual energy cost savings. This suite of energy efficiency measures was cost-effective, with an estimated positive annual cash flow of \$2,500 over the term of the EBF loan.

**Sustainable Implementation:** Ongoing initiatives specific to schools should be considered, such as subsidizing the cost of energy efficiency training and energy management resources for facilities managers (see Strategy #3).

## **Strategy #2: Enhance incentive levels, especially for measures that go beyond lighting (e.g. weatherization)**

**Timeframe and Funding Considerations:** Begin research in 2018 and pilot program expansion in 2019, leveraging RGGI funding. If successful, implement full-scale program in 2020.

**Motivation:** PUD budgeted \$18,400 (residential) and \$1,200 (business) for rebates on efficient appliances and equipment in 2018. These rebates reach roughly 250-350 residential customers and 10 business customers annually. There is concern these incentive levels may be too low to encourage true market transformation, leading to low participation levels and unspent budgets. Furthermore, there are currently no incentives for weatherization measures, like insulation and air sealing. We propose enhancing rebate levels to both increase participation and encourage comprehensive energy efficiency projects.

There are several possibilities for program enhancement:

1. Increase the level of all existing rebates – Increasing rebate levels would likely increase participation, and would be instrumental in encouraging customers to choose energy efficient alternatives when they would otherwise choose a base alternative.
2. Increase the rebate level for one appliance for a one-year period – Having a specific campaign could focus energy efficient efforts on that product, and the limited-time offer could encourage increased participation
3. Provide an additional rebate for customers who complete a defined set of energy efficiency upgrades – Incentivizing packages of multiple measures would encourage customers to look beyond lighting for energy savings.
4. Develop an incentive structure for weatherization measures.

These options should be considered in tandem with a benefit-cost analysis and development of a method to determine incentives (see Administrative Recommendation #2), and with input from best practices across New England.

**Action:** OER can work with PUD to develop an enhanced incentive package that is aligned with PUD's grid management priorities, works with PUD's management structure, and can be sustainably maintained for future program years.

**Impact:** Claimable savings from lighting is attenuating quickly. Therefore, incentivizing non-lighting measures and comprehensive projects will ensure PUD is positively affecting the market in a cost-effective manner.

**Sustainable Implementation:** After determining incentive levels and structure, implementation should be largely similar to current program implementation. Assuming an aggregate annual budget of \$50,000,

sector-specific budgets can be split to ensure equity and cost-effectiveness based on findings from the pilot.

### **Strategy #3: Subsidize Building Operator Certification for facilities managers**

**Timeframe and Funding Considerations:** Pilot in 2018; Full scale implementation in 2019. Pilot funding coincides with the EERMC workforce development initiative.

**Motivation:** Building Operator Certification (BOC) training provides essential information for how to effectively maintain buildings, including specific processes to ensure optimal energy use and proper energy management. BOC courses also connect facilities managers to each other, fostering a professional network for sharing best practices and answering specific questions.

We recommend providing a reimbursement for facilities managers that obtain a BOC. To align with reimbursement levels elsewhere in the state, we recommend reimbursing 50% of the cost (\$900) for each facilities manager that manages a facility that either meets some square footage criteria (e.g. manages facility over some square footage) or some energy consumption criteria (e.g. consumes over some MWh per year or has peak demand over some kW).

The EERMC has allocated funding for facilities managers workforce development in 2018. This initiative possibly includes subsidizing BOC training, developing energy efficiency modules specific for Rhode Island that are publicly available, and disseminating free resources to facilities managers. This existing initiative would be a timely way to start developing reimbursement criteria, conducting outreach about BOC, and getting at least one Pascoag facilities manager trained.

**Action:** OER can work with PUD to garner initial interest among facilities managers to attend a BOC training in 2018. OER can continue to work with PUD to define reimbursement criteria and process, and connect interested facilities managers with training opportunities after full-scale implementation of this strategy.

**Impact:** 10 facilities managers per year representing 10 community businesses or public entities can be trained each year, leading to an estimated total annual savings of 1,000 MWh.<sup>7</sup>

**Sustainable Implementation:** 50% reimbursement (\$900) for 10 facilities managers per year requires an annual budget of \$9,000.

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## *Phase 2 Programmatic Strategies*

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### **Strategy #4: Facilitate commercial financing options either through a third-party bank and/or enable Commercial Property Assessed Clean Energy**

**Timeframe and Funding Considerations:** Research in 2018 with implementation in 2019. No funding necessary, though creating a loan loss reserve could lower interest rates for borrowers.

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<sup>7</sup> Based on 100 MWh annual savings per BOC-credentialed building operator: <http://www.theboc.info/wp-content/uploads/2017/02/BOC-Energy-Savings-FAQ-2.0-web.pdf>



**Motivation:** For small businesses, energy efficiency measures can not only reduce energy costs but can help the business absorb shocks from increasing energy prices or use due to colder-than-normal winters and hotter-than-normal summers. However, small businesses often struggle with finding the up-front capital needed for energy efficiency projects, preventing these businesses from benefiting from reduced energy bills. PUD has identified several energy efficiency projects in small, local businesses, but has noted the barrier upfront costs play in preventing businesses from realizing benefits of energy efficiency.

We recommend facilitating financing options for cost-effective energy efficiency investments through partnership with a local, third-party bank. Ideally, energy auditors and contractors could recommend the bank and include the cost of financing directly in their recommendations report. Ideally, too, the length of the loan should be flexibly structured so the overall financing is cash-flow positive. A loan loss reserve is one tool that could lower interest rates for energy efficiency projects.

Commercial Property Assessed Clean Energy (C-PACE) is another financing option that would eliminate the barrier of upfront capital. C-PACE finances cost-effective clean energy projects with repayment through municipal property assessments. The Town of Burrillville would need to pass an ordinance to allow C-PACE financing.

If successful, later work could explore financial products for residential customers. Public entities already have access to the Efficient Buildings Fund for low-interest rate financing.

**Action:** OER and PUD can work to explore the potential for financial relationships with local third-party banks. OER can additionally work with RIIB and the Town of Burrillville to facilitate acceptance of C-PACE financing, and liaise with PUD as needed.

**Impact:** Financing availability could assist at least three small businesses annually, based on typical energy efficiency project implementation levels in PUD. Annual energy savings impact could be roughly 100-200 MWh.

**Sustainable Implementation:** PUD staff do not have the bandwidth to administer and manage a financing program in house. Therefore, the sustainable implementation of this strategy lies in identifying a third-party bank to oversee financing, and/or enacting C-PACE in the Town of Burrillville.

#### **Strategy #5: Increase the number of residential energy assessments and no-cost direct install measures, with increased outreach to low-income residents**

**Timeframe:** Begin pilot planning in 2018 and identify a funding source. If successful, implement a full-scale program in 2020.

**Motivation:** Residential energy assessments with no-cost direct install measures are critical for households to reduce energy use and lower their energy bills. PUD contracts with Energy New England (ENE) to conduct home energy assessments. ENE conducts 10-20 assessments annually within PUD territory. The assessments provide limited no-cost direct install measures (i.e. up to three LED bulbs per home) and do not include tests of ventilation or insulation.

In contrast, other Rhode Island residents can receive a more comprehensive assessment with a larger number of no-cost direct install measures. These additional benefits lead to participation rates that are an order of magnitude higher.

We recommend scaling up the residential energy assessment program. Ideally, PUD should target 120 home energy audits annually, with an increased number of direct-install measures and a more comprehensive assessment that includes ventilation and insulation.

OER can provide technical assistance with issuing a Request for Proposals, reviewing or revising scopes of work, and including best practices for residential home energy assessments.

**Action:** OER can provide technical assistance to PUD to build out a more comprehensive home energy assessment program pilot.

**Impact:** A more robust home energy assessment program would reach nearly 110 more households, and would increase energy and cost savings from direct install measures. In total, we aim for an annual participation rate of 3% (equals 120 audits/4,074 residential customers). Over ten years, nearly one in three PUD homes would have received a home energy assessment.

**Sustainable Implementation:** PUD budgeted for 12 audits at \$235 each in 2018. The proposed pilot will aim to increase participation ten-fold in addition to increasing the depth of the energy assessment (assume a roughly two-fold increase in unit cost, subject to further research and cost-benefit analysis of the aggregate residential program).

$$120 \text{ audits} * \$500 \text{ per audit} = \$60,000 \text{ annual program budget}$$

OER can provide technical assistance for modifying the contract with Energy New England or for developing an RFP to solicit a new vendor. OER can also provide ongoing technical assistance as needed. The vendor would be responsible for program administration and would be required to provide monthly reports to PUD.

#### **Strategy #6: Continue to improve residential offerings by developing specific incentives for renters/landlords**

**Timeframe:** Develop pilot-scale program in 2019 to test program elements. Suggested allocation of \$25,000 in RGGI funding. If successful, implement full scale program in 2020.

**Motivation:** Renters and landlords face a split-incentive when it comes to energy efficiency improvements, and resolving this agency problem is a current challenge efficiency programs are tackling across the country. Renters are also often low-income residents, who face a significantly higher energy burden than other residents, and are hit particularly hard by price volatility. Furthermore, energy efficiency often leads to better health and productivity outcomes, especially for vulnerable populations.

Renter/landlord-specific energy efficiency offerings are key to addressing this important need. Examples include programs designed specifically for renters and special outreach to affordable housing developers to encourage energy efficient designs. PUD could also enhance outreach about federal programs like WAP and LIHEAP.

PUD has offered a program specific for low-income residents in the past but without much success in participation. This experience should inform a pilot program in 2019 aimed instead at renters and landlords. If successful, the 2019 pilot should inform development of a full-scale program to be implemented in 2020.

**Action:** OER can work with PUD to develop an outreach strategy to the renter community about energy efficiency opportunities. OER can support PUD in developing a pilot program and full-scale program based on best practices.

**Impact:** Approximately 1,700 housing units are not owner-occupied in the Town of Burrillville.<sup>8</sup> This program should aim to reach five percent of households that rent (85 households) in its first year, scaling up as appropriate.

**Sustainable Implementation:** Budget to be determined by scope of program and demand.

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### *Phase 3 Ideas*

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We do not include specific descriptions or actions for Phase 3 Ideas at this point. These ideas can be developed and evolve as we learn from Phase 1 and Phase 2 Programmatic Strategies.

**Strategy #7: Automate benchmarking through EnergyStar Portfolio Manager, with appropriate support, training, and resources**

**Strategy #8: Develop a program for new construction that includes a zero-energy related incentive**

**Strategy #9: Develop a demand response initiative for businesses, possibly through a third part vendor**

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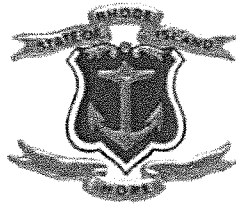
<sup>8</sup> <https://www.census.gov/quickfacts/fact/table/burrillvilletownprovidencetownprovidencecountyrhodeisland/PST045216>



Strategy	Pilot/Research Timeframe	Initial Funding	Initial Funding Source	Year of Full Scale Implementat ion	Sector	Proposed Annual Budget from SBC	Incremental SBC
<i>Administrative Recommendations</i>							
AR#1 Evenly distribute energy efficiency funding by sector based on SBC contribution	2018	\$ -	N/A	2019	Admin	\$ -	\$ -
AR#2 Account for and report on full costs and benefits as defined in the Rhode Island Cost-Effectiveness Test	2018	\$ -	N/A	2019	Admin	\$ 10,000	\$ 0.00018
<i>Phase 1 Programmatic Strategies</i>							
#1 Decrease energy burden and address energy-related school construction priorities Burrillville Public Schools located within the Pascoag District	2018	\$ 100,000	RGGI 2018 A	2018	Non-Res	\$ -	\$ -
					Res	\$ 25,000	\$ 0.00044
#2 Enhance incentive levels, especially for measures that go beyond lighting (e.g. weatherization)	2018	\$ 100,000	RGGI 2018 B	2019	Non-Res	\$ 25,000	\$ 0.00044
#3 Subsidize Building Operator Certification for facility managers	2018	\$ -	Implicit in EERMC workforce development initiative	2019	Non-Res	\$ 9,000	\$ 0.00016
<i>Phase 2 Programmatic Strategies</i>							
#4 Facilitate commercial financing options either through a third-party bank and/or enable Commercial Property Assessed Clean Energy	2018	\$ -	N/A	2019	Non-Res	\$ -	\$ -
#5 Increase the number of residential energy assessments and no-cost direct install measures, with increased outreach to low-income residents	2019	\$ 120,000	RGGI 2018 B	2020	Res	\$ 60,000	\$ 0.00105
#6 Continue to improve residential offerings by developing specific incentives for low-income customers	2019	\$ 25,000	RGGI 2018 B	2020	Res	\$ 25,000	\$ 0.00044
<i>Phase 3 Programmatic Strategies</i>							
#7 Automate benchmarking through EnergyStar Portfolio Manager	2020	\$ -	?	2021	Both	\$ -	\$ -
#8 Develop a program for new construction that includes a zero-energy related incentive	2020	\$ -	?	2022	Both	\$ -	\$ -
#9 Develop a demand response initiative for businesses, possibly through a third part vendor	2020	\$ -	?	2022	Non-Res	\$ -	\$ -



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF ADMINISTRATION  
OFFICE OF ENERGY RESOURCES



PROPOSED  
2018-A PLAN FOR THE ALLOCATION AND DISTRIBUTION OF REGIONAL  
GREENHOUSE GAS INITIATIVE AUCTION PROCEEDS

Auctions Held September 6, 2017 & December 6, 2017

February 2018

1.0 Authority

The 2018-A Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds (Plan) is authorized by Rhode Island General Laws (RIGL) §23-82-1 et seq. and 42-140-9 and the “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds,” effective August 2011.

2.0 Definitions

For the purposes of this Plan, the terms defined in RIGL §23-82-1 et seq. and the “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds,” effective August 2011 shall be given the same meaning as provided in the statute and regulations.

3.0 Auction Proceeds included in this Plan

3.1 RGGI, Inc. conducted auctions on behalf of the State of Rhode Island on September 6, 2017 (Auction #37) and December 6, 2017 (Auction #38).

3.2 These auctions resulted in the following Auction Proceeds for the State of Rhode Island:

Auction #37	\$1,078,639.05
Auction #38	\$942,263.20
Total	\$2,020,902.25

4.0 Adoption of the Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds

4.1 The Rhode Island Regional Greenhouse Gas Initiative Act provides for the use of Auction Proceeds. RIGL §23-82-6 requires that the Auction Proceeds be used for the benefit of energy consumers through investment in the most cost-effective available projects that can

reduce long-term consumer energy demands and costs. The annual auction proceeds proposal shall be designed to augment and coordinate with existing energy efficiency and renewable energy programs, and shall not propose use of auction proceeds for projects already fully funded under other programs.

4.2. The Rhode Island Office of Energy Resources (OER) is authorized to allocate the auction proceeds for the following purposes, in a proportion to be determined annually by OER in consultation with the Rhode Island Department of Environmental Management (DEM) and the Rhode Island Energy Efficiency and Resources Management Council (EERMC):

- (1) Promotion of cost-effective energy efficiency and conservation in order to achieve the purposes of section 39-1-27.7;
- (2) Promotion of cost-effective renewable non-carbon emitting energy technologies in Rhode Island as defined in RIGL §39-26-5 and to achieve the purposes of chapter 39-26 entitled “Renewable Energy Standard”;
- (3) Cost-effective direct rate relief for consumers;
- (4) Direct rate relief for low-income consumers;
- (5) Reasonable compensation to RGGI, Inc.; and
- (6) Reasonable costs of the OER and the Department of Environmental Management (DEM) in administering this program.

4.3 OER concludes that this Plan is consistent with the applicable statutes and regulations. Public notice of the proposed Plan was provided on xx 2018. A copy of the Notice is attached hereto. A public comment hearing was held on xx 2018 at the Department of Administration, One Capitol Hill, Providence, Rhode Island. The public was allowed additional time to submit written comments until xx 2018.

4.4 OER has responded to all substantive comments received on the Plan and are provided in the attached document entitled Response to Comments.

4.5 OER and DEM agree that the Plan was adopted in accordance with RIGL §23-82-6; “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds” and Chapter 42-35, the Administrative Procedures Act.

## 5.0 Allocation of Auction Proceeds

### 5.1 Compensation to RGGI, Inc.

5.1.1 RIGL §23-82-6(a)(5) authorizes the reasonable compensation of an entity to administer the auction on behalf of the State of Rhode Island. RGGI, Inc. is the entity that conducted the auctions listed in Section 3.0.

5.1.2 RGGI Inc. was not compensated from Auction 37 or Auction 38 proceeds.

### 5.2 Administrative expenses

5.2.1 RIGL §23-82-6(a)(6) authorizes the reasonable costs of OER and DEM in administering the RGGI program. The total reimbursement to both entities shall not in any year exceed Three Hundred Thousand Dollars (\$300,000.00) or ten percent (10.0%) of the proceeds, whichever is greater.

5.2.2 Ten percent (10.0%) of total auction proceeds from Auctions 37 and 38 total \$202,090.22. Therefore, as specified in RIGL §23-82-6(a)(6), OER and DEM shall each be reimbursed a total of \$101,045.11.

### 5.3 Interest Accrued on RGGI Proceeds



5.3.1 OER has identified \$76,298.49 of unallocated accrued interest payments on state RGGI auction proceeds as of December 31, 2017.

#### 5.4 Allocation of Net RGGI Proceeds

5.4.1 After accounting for compensation for RGGI Inc., administrative expense reimbursement to OER and DEM, and unallocated interest payments, the net balance available for programmatic allocation is **\$1,895,110.52 (One Million Eight Hundred Ninety-Five Thousand One Hundred and Ten Dollars and Fifty-Two Cents)**.

5.4.2 OER finds that allocating the balance of the Auction Proceeds set forth in Paragraph 5.4.1 herein for the promotion of cost-effective energy efficiency and conservation; and the promotion of cost-effective renewable non-carbon emitting energy technologies in an integrated manner shall be best accomplished by disbursements as follows:

5.4.2.a **\$500,000.00 (Five Hundred Thousand Dollars)** shall be allocated to support residential, commercial, and/or public sector energy efficiency and/or renewable energy financing transactions through the Rhode Island Infrastructure Bank, as established under Rhode Island General Laws Sections 39-26.5 and 46-12.2-4.2.

5.4.2.b **\$110,000.00 (One Hundred and Ten Thousand Dollars)** shall be allocated to support the Rhode Island Department of Environmental Management's (DEM) Energy-Saving Trees Program, which helps homeowners conserve energy and reduce their utility costs. Trees play an important role in cooling streets and homes, filtering air, and reducing stormwater pollution. DEM's program is operated in coordination with the Arbor Day Foundation and the Rhode Island Tree Council.

5.4.2.c **\$250,000.00 (Two Hundred and Fifty Thousand Dollars)** shall be allocated to DEM to support the Rhode Island Agricultural Energy Grant Program, a collaborative project of DEM, OER, and the Rhode Island Resource Conservation & Development Area Council (RI RC&D). This program, which is implemented through RI RC&D's Farm Energy Program, helps local farmers "green" their operations and benefit from the related energy and cost savings achieved through energy efficiency and renewable energy projects. OER will coordinate with DEM on future implementation of this program to support alignment with other existing clean energy initiatives available to Rhode Island's agricultural community. RGGI funds may be leveraged with other sources of capital to help local farmers implement clean energy projects. Such sources include, but are not limited to, the Rhode Island Renewable Energy Fund, USDA's Rural Energy for America Program (REAP), and utility-administered energy efficiency incentives.

5.4.2.d **\$350,000.00 (Three Hundred and Fifty Thousand Dollars)** shall be allocated for use by Rhode Island municipalities to support the installation of LED streetlights and associated control technologies. This program will be administered by OER.

5.4.2.e **\$585,110.52 (Five Hundred Eighty-Five Thousand One Hundred and Ten Dollars and Fifty-Two Cents)** shall be allocated to the Rhode Island Commerce Corporation's Renewable Energy Fund (REF), which is dedicated to increasing the role of renewable energy throughout the state. REF provides grants for renewable energy projects with the potential to make electricity in a cleaner, more sustainable manner, while stimulating job growth in the green technology and energy sectors of Rhode Island's economy.

5.4.2.f **\$100,000.00 (One Hundred Thousand Dollars)** shall be allocated to support the accelerated adoption of cost-effective energy efficiency measures by customers located in the Pascoag Utility District (PUD). OER will work in coordination with PUD management

to leverage existing system benefit charge funding, enhance incentive and program offerings, and identify cost-effective investment opportunities in the community.

- 6.0 Reallocation of RGGI funds from the 2012, 2013, 2014 and 2015 Plans for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds.
- 6.1 OER finds that **\$69,802.97 (Sixty-Nine Thousand Eight Hundred and Two Dollars and Ninety-Seven Cents)** of funds allocated pursuant to Section 5.4.2.c of the 2012 Plan (SRP) shall be reallocated to achieve the purposes of Section 5.4.2.e (REF) of the 2018-A Plan.
- 6.2 OER finds that **\$41,427.00 (Forty-One Thousand Four Hundred and Twenty-Seven Dollars)** of funds allocated pursuant to Section 5.3.2.b of the 2013 Plan (Thermal WG) shall be reallocated to achieve the purposes of Section 5.4.2.e (REF) of the 2018-A Plan.
- 6.3 OER finds that **\$1,894.28 (One Thousand Eight Hundred and Ninety-Four Dollars and Twenty-Eight Cents)** of funds allocated pursuant to Section 5.3.2.c of the 2014 Plan (DOT EE) shall be reallocated to achieve the purposes of Section 5.4.2.e (REF) of the 2018-A Plan.
- 6.4 OER finds that **\$101,765.23 (One Hundred One Thousand Seven Hundred and Sixty-Five Dollars and Twenty-Three Cents)** of funds allocated pursuant to Section 5.3.2.f of the 2015 Plan (Solarize) shall be reallocated to achieve the purposes of Section 5.4.2.e (REF) of the 2018-A Plan.
- 7.0 Tracking and Reporting
- 7.1 Consistent with OER's reporting requirement under RIGL §23-82-6(d), all recipients of RGGI funding are required to comply with OER data and reporting requests, including, but

not limited to, those reporting requirements specified in procurement documents and/or any memoranda of understanding.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
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**2018-B PLAN FOR THE ALLOCATION AND DISTRIBUTION OF  
REGIONAL GREENHOUSE GAS INITIATIVE AUCTION PROCEEDS**

Auctions Held March 18, 2018 & June 13, 2018

August 2018



1.0 Authority

The 2018-B Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds (Plan) is authorized by Rhode Island General Laws (RIGL) §23-82-1 et seq. and 42-140-9 and the “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds,” effective August 2011.

2.0 Definitions

For the purposes of this Plan, the terms defined in RIGL §23-82-1 et seq. and the “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds,” effective August 2011 shall be given the same meaning as provided in the statute and regulations.

3.0 Auction Proceeds included in this Plan

3.1 RGGI, Inc. conducted auctions on behalf of the State of Rhode Island on March 18, 2018 (Auction #39) and June 13, 2018 (Auction #40).

3.2 These auctions resulted in the following Auction Proceeds for the State of Rhode Island:

Auction #39	\$907,939.98
Auction #40	\$963,039.24
Total	\$1,870,979.22

4.0 Adoption of the Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds

4.1 The Rhode Island Regional Greenhouse Gas Initiative Act provides for the use of Auction Proceeds. RIGL §23-82-6 requires that the Auction Proceeds be used for the

benefit of energy consumers through investment in the most cost-effective available projects that can reduce long-term consumer energy demands and costs. The annual auction proceeds proposal shall be designed to augment and coordinate with existing energy efficiency and renewable energy programs, and shall not propose use of auction proceeds for projects already fully funded under other programs.

4.2. The Rhode Island Office of Energy Resources (OER) is authorized to allocate the auction proceeds for the following purposes, in a proportion to be determined annually by OER in consultation with the Rhode Island Department of Environmental Management (DEM) and the Rhode Island Energy Efficiency and Resources Management Council (EERMC):

- (1) Promotion of cost-effective energy efficiency and conservation in order to achieve the purposes of section 39-1-27.7;
- (2) Promotion of cost-effective renewable non-carbon emitting energy technologies in Rhode Island as defined in RIGL §39-26-5 and to achieve the purposes of chapter 39-26 entitled “Renewable Energy Standard”;
- (3) Cost-effective direct rate relief for consumers;
- (4) Direct rate relief for low-income consumers;
- (5) Reasonable compensation to RGGI, Inc.; and
- (6) Reasonable costs of the OER and the Department of Environmental Management (DEM) in administering this program.

4.3 OER concludes that this Plan is consistent with applicable statutes and regulations. Public notice of the proposed Plan was provided on July 17, 2018. A copy of the Notice is attached hereto. A public comment hearing was held on August 16, 2018 at the Department of Administration, One Capitol Hill, Providence, Rhode Island. The public was allowed additional time to submit written comments until August 26, 2018.

- 4.4 OER has responded to all substantive comments received on the Plan and are provided in the attached document entitled Response to Comments.
- 4.5 OER and DEM agree that the Plan was adopted in accordance with RIGL §23-82-6; “Rules and Regulations for the Allocation and Distribution of Regional Greenhouse Gas Initiative Proceeds” and Chapter 42-35, the Administrative Procedures Act.
- 5.0 Allocation of Auction Proceeds
- 5.1 Compensation to RGGI, Inc.
- 5.1.1 RIGL §23-82-6(a)(5) authorizes the reasonable compensation of an entity to administer the auction on behalf of the State of Rhode Island. RGGI, Inc. is the entity that conducted the auctions listed in Section 3.0.
- 5.1.2 RGGI Inc. was compensated \$33,329.33 from Auction 39 proceeds.
- 5.2 Administrative expenses
- 5.2.1 RIGL §23-82-6(a)(6) authorizes the reasonable costs of OER and DEM in administering the RGGI program. The total reimbursement to both entities shall not in any year exceed \$300,000.00 or 10.0% of the proceeds, whichever is greater.
- 5.2.2 Ten percent (10.0%) of total auction proceeds from Auctions 39 and 40 total \$187,097.92. Therefore, as specified in RIGL §23-82-6(a)(6), OER and DEM shall each be reimbursed a total of \$93,548.96.

5.3 Allocation of Net RGGI Proceeds

5.3.1 After accounting for compensation for RGGI Inc. and administrative expense reimbursement to OER and DEM, the net balance available for programmatic allocation is **\$1,650,551.97 (One Million Six Hundred Fifty Thousand Five Hundred Fifty-One Dollars and Ninety-Seven Cents)**.

5.3.2 OER finds that allocating the balance of the Auction Proceeds set forth in Paragraph 5.3.1 herein for the promotion of cost-effective energy efficiency and conservation; and the promotion of cost-effective renewable non-carbon emitting energy technologies in an integrated manner shall be best accomplished by disbursements as follows:

5.3.2.a **\$1,388,521.60 (One Million Three Hundred Eighty-Eight Thousand Five Hundred Twenty-One Dollars and Sixty Cents)** shall be allocated to the Rhode Island Commerce Corporation's Renewable Energy Fund (REF), which is dedicated to increasing the role of renewable energy throughout the state. REF provides grants for renewable energy projects with the potential to make electricity in a cleaner, more sustainable manner, while stimulating job growth in the green technology and energy sectors of Rhode Island's economy. A portion of these funds shall be used to establish a pilot incentive program to facilitate solar development on brownfields. All funds allocated through this section shall be administered in coordination with OER.

5.3.2.b **\$200,000.00 (Two Hundred Thousand Dollars)** shall be allocated to support the delivery of cost-effective energy efficiency programs and incentives to electric utility customers in the Pascoag Utility District (PUD). OER will work in coordination with PUD management to leverage existing system benefit charge funding, enhance incentive

and program offerings, and identify cost-effective investment opportunities in the community.

5.3.2.c **\$62,030.37 (Sixty-Two Thousand Thirty Dollars and Thirty-Seven Cents)** shall be allocated to support the delivery of cost-effective energy efficiency programs and incentives to electric utility customers of the Block Island Power Company (BIPCo). OER will work in coordination with BIPCo management to leverage existing utility funds and identify cost-effective investment opportunities in the community of New Shoreham.

6.0 Reallocation of RGGI funds from the 2013 and 2016-A Plans for the Allocation and Distribution of Regional Greenhouse Gas Initiative Auction Proceeds.

6.1 OER finds that **\$100,995.00 (One Hundred Thousand Nine Hundred and Ninety-Five Dollars)** of funds allocated pursuant to Section 5.3.2.f of the 2013 Plan (Grid Mod WG) shall be reallocated to achieve the purposes of Section 5.3.2.a (REF) of the 2018-B Plan.

6.2 OER finds that **\$500,000.00 (Five Hundred Thousand Dollars)** of funds allocated pursuant to Section 5.2.2.e of the 2016-A Plan (Microgrid) shall be reallocated to achieve the purposes of Section 5.3.2.a (REF) of the 2018-B Plan.

7.0 Tracking and Reporting

7.1 Consistent with OER's reporting requirement under RIGL §23-82-6(d), all recipients of RGGI funding are required to comply with OER data and reporting requests, including, but not limited to, those reporting requirements specified in procurement documents and/or any memoranda of understanding.