

Lawrence J. Mancini
Chief Financial Officer



Jorge O. Elorza
Mayor

Finance Department
"Building Pride In Providence"

To: Lucy E. Massaro, Commission Clerk,
Rhode Island Public Utilities Commission

From: Lawrence J. Mancini
Chief Financial Officer
City of Providence

Date: December 10, 2020

RE: Efficient Buildings Fund Allocation on Docket 5076

The City of Providence has worked closely with Rhode Island Infrastructure Bank over many years, financing water and sewer infrastructure, city road projects, and most recently, energy efficiency projects through the Efficient Buildings Fund (the "EBF"). Financing these projects through the Infrastructure Bank has saved the taxpayers and ratepayers of Providence millions in interest costs over the years.

The City of Providence used EBF to finance comprehensive energy retrofit projects in a number of fire houses, police stations and other City buildings. The long-term nature of the loan allowed the City to match annual energy savings with debt service costs. Without the below market interest rate and long-term payback provided to the City through the EBF, the City would have not advanced these projects because the alternative financing options available to the City would have made the project uneconomic.

The City of Providence is facing significant budgetary challenges. At the same time we address those issues, we must continue to invest in our school infrastructure, including critical long term comprehensive retrofit energy efficiency projects. The financial benefits provided by the EBF in financing these energy efficiency projects, achieved by paying lower interest rates, makes them more financially viable and incentivizes the City to consider aspects of an EE project that might otherwise not be affordable.

We appreciate your consideration of our concerns and respectfully request that an allocation of \$5,000,000, which is in line with funding from prior years, be made to the Efficient Buildings Fund in the 2021 Energy Efficiency Plan.