

# 2018 POLICY RECOMMENDATIONS

R.I.G.L. § 42-140.1-5 requires that the EERMC “Submit to the joint committee on energy an annual report... regarding the activities of the Council, its assessment of energy issues, the status of system reliability, energy efficiency and conservation procurement, and its recommendations regarding any improvements which might be necessary or desirable.” The EERMC submits the following recommendations that will support Rhode Island’s position as a national leader in energy efficiency and resource conservation.

As in previous years, we present both *Policy Recommendations* for 2018 and a *Progress Report* on previous recommendations.

## 2018 Policy Recommendations

1. The EERMC strongly recommends that the executive branch and legislature continue to support Rhode Island’s Least Cost Procurement law (§ 39-1-27.7) for both electric and gas service by passing legislation that facilitates and enhances its implementation, and by resisting efforts to set arbitrary limits on the amount of cost-effective efficiency that should be secured.

As written, Rhode Island’s Least Cost Procurement law guarantees that energy efficiency is only procured when it costs less than purchasing more power supply. Therefore, the law actively saves Rhode Island ratepayers money. If other limiting factors such as budget caps are placed on energy efficiency programs, ratepayers may be forced to buy power at a cost that is higher than the cost of reducing energy demand. Whenever energy efficiency is the cheapest option, it should be used as the State’s preferred energy resource. This is how the Least Cost Procurement law is currently written, and is why this law should be actively protected and perpetuated.

2. We should build on the successful creation of the Rhode Island Infrastructure Bank and facilitate new financing options for building energy projects for all sectors of the economy. In 2018, it is of particular importance that any barriers currently preventing Rhode Island schools from leveraging all available building financing programs be removed.
3. A method for funding and supporting efficiency investments in homes that use unregulated fuels, such as oil and propane, should be implemented.
4. Rhode Island should adopt comprehensive appliance efficiency standards that also backstop existing federal appliance standards that may languish. Such action would achieve large energy and cost savings for Rhode Islanders.
5. Rhode Island energy efficiency programs should constantly work to ensure that all customers and segments of the market have access to the benefits of energy efficiency savings. There should be a concerted effort to reach those who are economically vulnerable, and those who are currently above poverty guidelines, but need significant assistance to make efficiency investments.

6. A concerted effort should be made to coordinate energy efficiency programs with renewable energy deployment and other available state and federal clean energy and greenhouse gas reduction programs and incentives.
7. Aggregated or asset-based building energy information should be clearly defined as public information by the executive branch and general assembly. This would allow greater transparency in Rhode Island building transactions, would spur the market for more energy efficient homes, and would provide a level of customer protection not currently available to home buyers and renters.

### **Progress Report: Previous Policy Recommendations**

Strong progress has been made on the following, previous EERMC policy recommendations:

1. Expanding access to well-designed financing options that supplement and tie-in to successful rebate and incentive programs to allow more energy efficiency to be captured. The establishment of the Rhode Island Infrastructure Bank through the leadership of the Office of the Governor and the Office of the General Treasurer as well as the General Assembly's passage of supporting legislation successfully delivers an effective means to this end to benefit all Rhode Islanders. Financing options such as the Efficient Buildings Fund and Commercial Property Assessed Clean Energy (C-PACE) are now available for many Rhode Island municipal and commercial facilities.
2. Establishing a "Rhode Island Sustainability Hub" to empower customers to save energy and optimize the use of the electric distribution system. In 2016, National Grid selected a space in downtown Providence to create the Rhode Island Energy Innovation Hub (The Hub). The Hub is opened in 2017 and is actively serving as an educational facility with interactive exhibits that highlight the successes of today's energy solutions while empowering customers to create the sustainable energy future of tomorrow.
3. Supporting the continuation of Rhode Island's landmark Comprehensive Energy Conservation, Efficiency, and Affordability Act of 2006 that established Least Cost Procurement as the state's overarching resource acquisition strategy for electricity and natural gas. This act was set to expire in 2018, but due to commendable action taken by the General Assembly, Least Cost Procurement has been extended through 2024. This ensures that all Rhode Islanders can continue benefitting from investments in all cost-effective energy efficiency. It is important that this law continue to be protected and perpetuated for the benefit of all Rhode Islanders.