

FUTURE OF GAS DOCKET

In May, the Future of Gas Stakeholder Committee continued their discussion on the transition away from natural gas in RI. Read more on page 2.

EC4 UPDATE

The EC4 Advisory Board and Full Council met in the spring to discuss resilience, transportation decarbonization, the climate dashboard, and more. Read more on page 4.

EQUITY WORKING GROUP

The Energy Efficiency EWG convened in June. Representatives from URI, RISE Engineering, and CLEAResult presented. Read more on page 6.

IN THIS ISSUE

Spotlight

ACEEE launches Residential Retrofits for Energy Equity (R2E2) Playbook 2

Policy and regulatory updates

2021 GHG Inventory Indicates State Emissions Rebounded Post-Pandemic 2

RIDEM Announces Climate Resilience Fund RFP 3

Technology and Innovation

Federal Tax Credits to be Expanded to Other Clean Energy Technologies in 2025 4

Research highlights

How Philadelphia is Preparing its Workforce to Deliver Home Energy Upgrades 4

Investing in Sustainability Can Improve Municipalities' Chances of Securing Federal Funding 4

Integrating Energy and Transportation Costs Reveals Extreme Energy Burden 6

Issue 6, July 2024

UPCOMING EVENTS

GECA <u>Climate Actions for</u> <u>Everyone</u> - July 18

URI <u>HEZ Learning</u> <u>Communities</u> - July 29

EBC <u>Energy Resources</u> <u>Committee Program</u> <u>Planning</u> - July 30

EBC <u>Annual Summer</u> <u>Garden Party</u> - August 1

RCA <u>Charlestown Climate</u> <u>Resiliency Meeting</u> -August 8

MEETINGS COVERED

Future of Gas Stakeholder Committee - May 23

EC4 Advisory Board - May 29

Equity Working Group -June 4

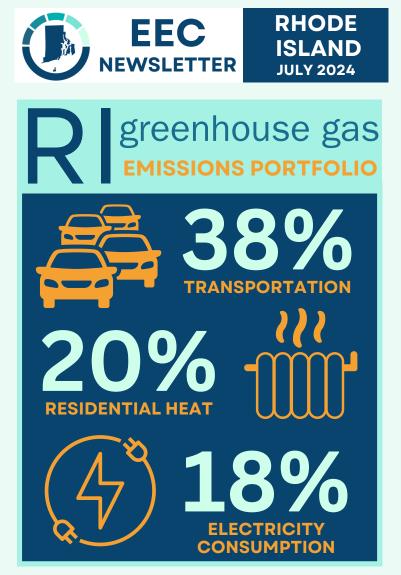
EC4 Full Council - June 26

<u>eec.ri.gov</u>



SPOTLIGHT ACEEE R2E2 Launches Playbook for Energy Upgrades in Affordable Housing

ACEEE published the Residential Retrofits for Energy Equity (R2E2) Playbook to assist local governments and community-based organizations in utilizing federal funds for residential energy upgrades in low- and moderate income (LMI) housing. With the recent influx of federal funding for residential energy upgrades via the Inflation Reduction Act (IRA), local and state governments must navigate how to best leverage funds in the most efficient and equitable manner. The R2E2 Playbook provides guidance and recommendations to create and implement programs that reduce energy bills, reduce pollution, advance racial equity, improve health outcomes, and provide economic growth through equitable community planning.



2021 GREENHOUSE GAS INVENTORY INDICATES STATEWIDE EMISSIONS REBOUNDED POST-PANDEMIC, CONSISTENT WITH TRENDS ACROSS NEW ENGLAND AND NATION | RHODE ISLAND DEPARTMENT OF ENVIRONMENTAL <u>MANAGEMENT</u>

On Monday, June 17th the Rhode Island Department of Environmental Management (DEM) released the 2021 assessment of Rhode Island's greenhouse gas (GHG) emissions. DEM air quality specialists annually assess RI's annual GHG emission levels in consideration of RI's 2021 Act on Climate. The 2021 Act on Climate states that Rhode Island must reduce emissions by 45% by 2030 and to net-zero by 2050 from 1990 emission levels.

The 2021 GHG inventory found that RI's emissions rebounded by 8.9% following the 2020 Covid-19 pandemic, but the state remains on the right track as 2021 emission levels are 14.4% lower than 1990 levels. Although emission rates increased from 2020 to 2021, the increase is consistent with surrounding New England states and the nation. As the economy recovered from the 2021 pandemic and restrictions eased, air travel and passenger vehicle travel rates increased. The increase in emissions can also be attributed to a colder winter in 2021 than in 2020 as residential heating levels rose by 12.5% in 2021.

Since 1990, 2021 emissions from transportation have decreased by 14.5%, emissions from electricity consumption decreased by 30.9%, and emissions from residential heating decreased by 9.7%. To achieve the 2030 goal of 45% GHG emission reduction, RI must reduce emission rates by another 35.7%. The DEM's assessment also found that RI's forests removed 14% less carbon dioxide from the atmosphere than in 1990. This reduction in carbon sequestration can be attributed to the loss of natural land to development in RI.

RIDEM continues to advance their GHG emission assessments by aligning with international practices such as calculating emissions from steel production (1990-1994) and updating the global warming potential of hydrofluorocarbon such that it is equivalent with carbon dioxide, making it more comparable with the rest of the inventory.



UPDATES FROM Future of Gas Docket

Rhode Island's Public Utility Commission (PUC) held their 12th stakeholder meeting on May 23rd, 2024, where they continued their advancement of the Future of Gas Docket. Facilitated by Apex Analytics, this meeting continued previous policy discussion and began discussion of a report outline.

The discussion among stakeholders began by addressing the affordability of the transition. Stakeholders expressed how crucial it will be to prioritize customer support and guidance during an energy transition, especially for low-income customers. Many customers lack knowledge on the process of pursuing, implementing, and funding energy efficient upgrades, so it will be vital to provide Rhode Island citizens with sufficient support to make the transition feasible and successful.

Stakeholders also discussed the idea of a transition fund. Some stakeholders felt that it would be appropriate for society to share costs given that it is a society-wide transition. Stakeholders are trying to prioritize an equitable and affordable transition. Stakeholders are fearful that as customers transition away from gas, it will leave remaining gas customers with inequitable increasing gas costs. This transition will only be affordable for all Rhode Island residents if the transition costs are distributed in an equitable way.

Stakeholders also brought attention to the extensive health benefits Rhode Islanders, especially in low-income areas where health vulnerability is increased, will experience because of the decommissioning of the gas system. Although these health benefits are not accounted for economically, the positive health benefits will have a notable impact. Stakeholders mentioned that customers will be spending their revenue towards this transition, so customers need to be made aware of the significant health benefits which will come as a result. This caused stakeholders to question how these health benefits can be accurately and morally monetized so they can be considered by customers.

Stakeholders brought attention to lowest-income residents with significant energy burdens. Regardless of what rates are set, there will be a portion of the population whose income is not sufficient to meet their energy needs, and will require financial support during a transition.



RHODE ISLAND JULY 2024

The Committee brainstormed ways to collect customer savings and reimplement that capital back into the system; suggestions included government policy, a tax increase, maintaining electric rates, and a cap-and-trade system. It was raised that state legislature does not like to increase tax rates, especially during an election year.

Next was a discussion of customer choice in the gas transition. Three examples of customer choice policy were given: Covid-19 in 2020, recycling, and smoking.

Most stakeholders seemed to identify smoking as most similar to the decommissioning of the gas system. The practice of smoking was significantly reduced by a combination of education and legal prohibition in public places, which lead to a decrease of frequency and increase in public health. Although the policies were not 100% successful, they resulted in a significant increase in public health and can be a model for this transition.

Stakeholders began a discussion of the report outline. During this discussion, stakeholders stated that a scenario verses scenario approach would not be efficient, and that reviewing E3 data and identifying common challenges would be a better alternative. It was noted that while evaluating challenges, each scenario has varying risk profiles. If not managed appropriately, all scenarios have high risk for low-income households.

RIDEM announces Climate Resilience Fund RFP

On June 13th, RIDEM announced an RFP for projects that develop environmental sustainability and resilience across RI communities. The goal of the grant program is to support governmental and non-profit entities in restoring and improving the climate resilience of vulnerable coastal habitats, as well as river and stream floodplains and related habitats. This includes projects that will improve community resilience and public safety as they face climate impacts. This grant program will use \$5 million of the RI Green Economy and Clean Water Bond and any future funds dedicated to the same goals. The application is open until July 26th.



Biden Administration expands tax credits beyond wind, solar

The Biden administration proposed expanding tax credits to a wider range of clean energy technologies. including nuclear fission. nuclear fusion. hydrokinetic energy, geothermal, and more. Created under the Inflation Reduction Act (IRA), Clean Electricity Production and Investment credits will be available in 2025 as solar and wind investment tax credits retire. John Podesta, Senior Advisor to the President for International Climate Policy said that the broader credits are "one of the law's most significant contributions to tackling the climate crisis," and will help achieve the U.S.'s goal of a net-zero emission power sector by 2035. The IRA is credited with over \$850 billion in clean energy investment and record renewable energy capacity increases. A research group estimated that the credits could result in a 29%-46% reduction in GHG by 2035. Some environmental groups raised concerns about the broad nature of the tax supporting controversial credits energy sources such as burning waste and methane biogas.

Case Study: How Philadelphia is Preparing its Workforce to Deliver Home Energy Upgrades | ACEEE

A 2024 case study by the American Council for an Energy-Efficient Economy (ACEEE) profiles a home energy retrofit program, the Green Retrofit Immersive Training (<u>GRIT</u>), in Philadelphia, PA. The program was launched by the Philadelphia Energy Campaign, with the goal to develop more skilled professionals to enter the workforce and complete residential clean energy upgrades in the community.

The GRIT program was launched in 2021 in response to the growing demand of energy efficiency and clean energy professionals and inadequate workforce shortages the industry was experiencing. Over the course of the 18-week paid GRIT program, participants underwent individual technical skills training with services to help



participants overcome employment barriers, an internship which provides hands-on experience, and job placement support with home energy contractors.

Public outreach via flyers around the community are used to reach potential applicants. By accessing the flyer's QR code, applicants submit their application and are selected through a panel interview process lead by program partners. The GRIT program is funded by the Philadelphia Energy Authority (PEA), as they invest upwards of \$700,000 per cohort to support between 20 to 25 participants. In 2023, 21 of the 25 participants successfully completed the program. As of 2023, 57 total participants have graduated from the program with more currently enrolled in 2024.

The Philadelphia GRIT program continues to successfully develop a powerful workforce in energy efficiency and clean energy. GRIT can serve as a model for other communities that require workforce improvement or development to ensure energy efficiency is maximized to meet clean energy goals.

<u>There's a secret for Mass.</u> <u>cities and towns to win big</u> <u>bucks from Washington: Invest</u> <u>in sustainability</u>

Having a dedicated sustainability officer increases a community's odds of securing federal funding for local energy improvements that save money while lowering greenhouse gas emissions. However, communities with lower median income and fewer municipal staff may be reluctant to invest in sustainability when other needs seem more pressing. Advocates maintain that advancing climate work at the local level is critical, particularly in environmental justice communities, but the barrier of providing funding for the position's salary remains. In some instances, small communities are joining together to apply for grant funding or hire a shared sustainability director. Soon, Massachusetts will be able to aid small towns fund energy manager positions with a new \$2 million federal grant.



EC4 UPDATE

The Executive Climate Change Coordinating Council (EC4) Advisory Board met on May 29th, 2024. The board discussed the Narragansett Bay Research Reserve's Climate Resilience Learning Network, which had its initial kickoff meeting in March. The goal of the learning network is to learning, collaborative engagement, foster peer information exchange, the advancement of climate science, and development of resilience initiatives. The learning network also hopes to provide technical assistance, as many municipalities and community groups shared that their main issues are limited capacity, resources, and time to navigate federal funding and carry out projects. The learning network began with a foundational group of local practitioners who helped create a framework for the concept, and several members of this group have expressed interest in staying on as an overhead committee. The <u>RI Sea Grant Office</u> will coordinate, facilitate activities, and support various learning opportunities. Additionally, the learning network will tie into activities at the national level via the National Sea Grant Office and the American Society for Adaptation Professionals. The target audience of the learning network is any staff or official working on local climate resilience planning issues in the state.

Priscilla De La Cruz, Providence Director of Sustainability and member of the EEC, gave a presentation on municipal strategies for carbon neutrality. <u>The Providence Climate</u> <u>Justice Plan</u> was adopted in 2019. The Plan is a guide to achieving a carbon neutral city by 2050 while creating a collaborative process with the communities most impacted



2024 LEGISLATIVE SESSION OUTCOMES

1. Act on Coasts - Coastal Resilience A companion to the Act on Climate to address the resilience side of climate strategy.

2. Building Decarbonization Resolution A resolution that directs the EC4 to assess building decarbonization strategies.

3. Ebikes on State Bike Paths Allows the use of Ebikes on state bike paths.

4. Renewable Ready Program Provides financial support for RI's Renewable Energy Standard (RES).

5. Solar Decommissioning Requires solar developers to submit a decommissioning plan with permit applications.

6. Energy Storage Act Sets a series of goals for energy storage capacity.

7. Special Legislative Commission to Study Renewable Energy Programs A study on renewable energy needs & impacts in RI.

by climate change to address both climate resilience and environmental justice issues. Early implementation of the Plan included the <u>Providence Community Electricity Program</u> in 2023. This program provides 50,000 households with a reduced electricity supply price while adding local renewable energy capacity, reducing emissions equivalent to 13 million tons. De La Cruz explained that buildings account for the majority of emissions in the state GHG inventory, transitioning the discussion to the <u>Building Energy Reporting Ordinance</u> (BERO), which was implemented in fall 2023. BERO requires building owners of large commercial, institutional, and multifamily buildings to report their energy use to the city for public disclosure over a tiered implementation timeline. BERO was soft launched with the four city municipal buildings, which were required to report their energy consumption by May 15, 2024. Between three and five hundred building owners will fall into the next tier. Providence has also joined the Department of Energy's Better Buildings Challenge, the Better Climate Challenge, and their associated learning networks.

The EC4 Full Council met on June 26th, 2024. The Chair recognized the three new advisory board appointees: Meg Kerr, Sarah Hashem, and Cameron Bennett. Several state agencies provided updates. The National Electric Vehicle Infrastructure phase 1 park and ride structure is near completion, with phase 2 expected to roll out sometime in the fall. The OER recently launched a climate justice newsletter to highlight events and available resources in environmental justice communities.

RIDOT presented the State Surface Transportation Decarbonization Roadmap strategies, programs, and progress on achieving GHG emissions targets. RIDOT is on track to meet the 2030 target, but they will fall short of the 2040 and 2050 requirements unless new strategies are identified. The RIDOT representative emphasized the need for collaboration on this front, as the current gap is 19.6% below the 2050 target.

RIDEM gave a progress update on the development of the new RI Climate Dashboard. Work began this past spring, and multiple EC4 agencies are providing data. The preliminary list of metrics includes annual GHG emissions, program performance, avoided GHG emissions because of energy efficiency, clean energy jobs, and more. There will be a public listening session later in the summer after the first draft of the dashboard is complete. The dashboard will eventually be available on the EC4 website.

Chief Resiliency Officer, (CRO) Kimberly Korioth, gave an update on resiliency work in RI. She explained the planning, implementation, capacity building & partnerships, and transparency & information sharing stages of the RI Climate Resilience Program.



<u>Low-Income Households</u> <u>Spend Nearly 20% of Income</u> <u>on Home Energy and Auto</u> <u>Fuel Costs</u>

Published in May of 2024, the American Council for an Energy-Efficient Economy (ACEEE) reveals that lowincome households spend 17.8% of their income on energy bills and transportation fuel, which is 3 times the national average.

High combined energy burden is defined by the ACEEE as spending more than 12% of income on energy. From the ACEEE's research, it was found that three quarters of low-income households experience high combined energy burdens. The study finds that there are racial and ethnic disparities in high combined energy burdens, as Hispanic households are 42% above the average national burden and Black households are 10% about the average national burden. There are various factors that lead to an increased combined high energy burden: low-income levels, residing in homes with either out-of-date energy codes, in need for appliance upgrades, or in need of weatherization, as well as residing in locations with limited public transportation which force residents to rely on personal vehicle transportation for daily commutes.

Households with the highest energy burdens typically do not have the ability to invest in improved home or transportation efficiency, proving the importance and necessity for energy efficiency programs to increase accessibility to energy efficient programs and opportunities. Weatherization Assistance Program (WAP), the Low-Income Heat Assistance Program (LIHEAP), and numerous state and utility weatherization and bill support programs are reliant on home energy burdens to evaluate success of said program or inform program decisions, hence why a holistic metric for energy burdens is necessary.

Past energy burden studies have looked at home energy bills and transportation costs individually, dismissing their dependent relationship. This research combined both energy burdens by combining two asynchronous and infrequent datasets from the Bureau of Labor Statistics' Consumer Expenditure Survey. An example of why these burdens should be considered in unison is given by the ACEEE; When an individual purchases an electric vehicle to eliminate transportation gas costs, their electric bill will increase as electricity is used to charge the vehicle. Although their transportation fuel cost will decrease, their home electricity cost will increase. This dynamic exemplifies how these burdens are dependent and required to be considered and analyzed in unison.



RHODE ISLAND ENERGY EFFICIENCY EQUITY WORKING GROUP

On June 4th the Rhode Island Energy Efficiency Equity Working Group (RI EWG) held their 4th meeting. Kate Venturini presented on URI Cooperative Extension's energy literacy initiative and gave an overview of Health Equity Zones (HEZ), both of which are in collaboration with the EEC. HEZ community-led initiatives that prioritize are developing healthy, resilient communities by utilizing local resources and partnerships to address necessities such as access to healthcare, education, food access, housing, and employment. Kate also discussed URI's Cooperative Extension "Plugged into Energy Research" lecture series, which will begin in the Fall of 2024.

Brian Kearney from RISE Engineering presented on the importance of reaching non-participating individuals to spread knowledge of home energy assessment (HEA) opportunities. Brian discussed the HEA process for customers and available financial incentives. Brian then discussed Clean Heat Rhode Island, a program to assist various community members with the purchase and installation of high-efficiency electric heat pumps.

Karen Verrengia, from CLEAResult, presented a workforce development overview. CLEAResult's objective is to continue to develop and further grow the energy efficiency workforce and support key residential and commercial sectors. The state of Rhode Island has fallen behind with energy codes, and the 2024 IECC Update for Rhode Island will be a challenging adjustment for the existing workforce. To combat this transition, CLEAResult has developed a "Train the Trainer" series to educate and train builders on new standards and codes.

ENERGY EFFICIENCY COUNCIL