



Councilor Learning, Education & Advancement Discussion

2024 Session #2

Consultant Team Presentation

Date: October 28, 2024

Agenda



12:45 – 1:00 PM	15 min	Arrival, Refreshments & Welcome
1:00 – 1:05 PM	5 min	Public Comment
1:05 – 1:25 PM	20 min	Introductions & Icebreaker
1:25 – 1:40 PM	15 min	Regulatory Updates
1:40 – 2:25 PM	45 min	Energy Efficiency Legislation: Current Challenges & Opportunities
1:40 – 1:55 PM	15 min	- Update & Discussion Framing by Councilor Sue AnderBois, Councilor Harry Oakley, Consultant Team & Legal Counsel
1:55 – 2:25 PM	30 min	- Discussion Facilitated by Consultant Team & Legal Counsel
2:25 – 2:40 PM	15 min	Break & Refreshments
2:40 – 3:10 PM	30 min	Legislator Education on Energy Efficiency
2:40 – 2:55 PM	15 min	- Discussion Framing by Councilor Sue AnderBois
2:55 – 3:10 PM	15 min	- Discussion Facilitated by Consultant Team
3:10 – 3:55 PM	45 min	Market Potential Study
3:10 – 3:25 PM	15 min	- Update & Discussion Framing by Consultant Team
3:25 – 3:55 PM	30 min	- Discussion Facilitated by Consultant Team
3:55 – 4:00 PM	5 min	Wrap Up

Keep in Mind

- We want to hear from you!
- More conversational than formal
- Respect each other's thoughts, perspectives and opinions
- Keep discussion forward-looking
- Tend to your own comfort as needed





Public Comment

5 minutes



Introductions & Icebreaker

20 minutes



Regulatory Updates

15 minutes

Procedural Schedule



10/25: Deadline to file for intervention

10/30: Objections to Motions to Intervene

10/31: Council testimony and documentation regarding budget

11/15: Intervenor/Division Pre-File Testimony/Comment

11/22: RI Energy Reply Testimony/Comments

12/10-12/12: Hearing Dates

Ongoing: Data requests



Energy Efficiency Legislation: Current Challenges & Opportunities

15 minutes – Update & Discussion Framing

30 minutes - Discussion

Objectives



Update Councilors on recent conversations among key stakeholder groups regarding potential limitations of RI's existing energy efficiency legislation

- Councilors Oakley and AnderBois, the C-Team, and the Council's Legal Counsel

Discuss anticipated or known challenges and potential opportunities associated with fulfilling the Council's legislated requirements

Potential Topic Areas



Meeting the Council's legislative purposes in light of Act on Climate mandates

Ability to move energy efficiency plans from binding Annual to binding Three-Year Plans

Allocation and autonomy of the Council's budget

Council meeting and voting requirements

Others?

Discussion Questions



What concerns do you have regarding Rhode Island's current energy efficiency policy landscape?

Are there ways in which Least Cost Procurement Law or the Council's enabling legislation are incongruent with the Act on Climate mandates?

How can the State's energy efficiency policy be optimized to fully support the State's climate goals?

Are there potential improvements to the energy efficiency planning process that would require legislative updates?

What do you see as the Council's role in the State's policymaking process?



Break & Refreshments

15 minutes



Legislator Education on Energy Efficiency

15 minutes – Presentation by Councilor AnderBois

15 minutes – Council Discussion

Objectives



Preview draft of briefing presentation developed by Councilor AnderBois

Collect feedback, establish next steps, and discuss strategy for educating Rhode Island Legislators

Energy Efficiency Policy in RI

Where we are – Where we are
Headed





Who is the EEC?

The Energy Efficiency Council monitors the state's energy efficiency programs to maximize cost-effective energy savings for all Rhode Islanders through comprehensive stakeholder representation and expert technical evaluation. The Council supports the state's climate mandates and works to empower all Rhode Islanders to receive the full benefits of energy efficiency.

Who is the EEC Part 2:

The RI Energy Efficiency Council was established by statute in 2006 to provide oversight of the state's ratepayer-funded energy efficiency programs. The Council includes fifteen appointed members that represent the interests of homeowners, renters, workers, businesses, municipalities, and the environment.

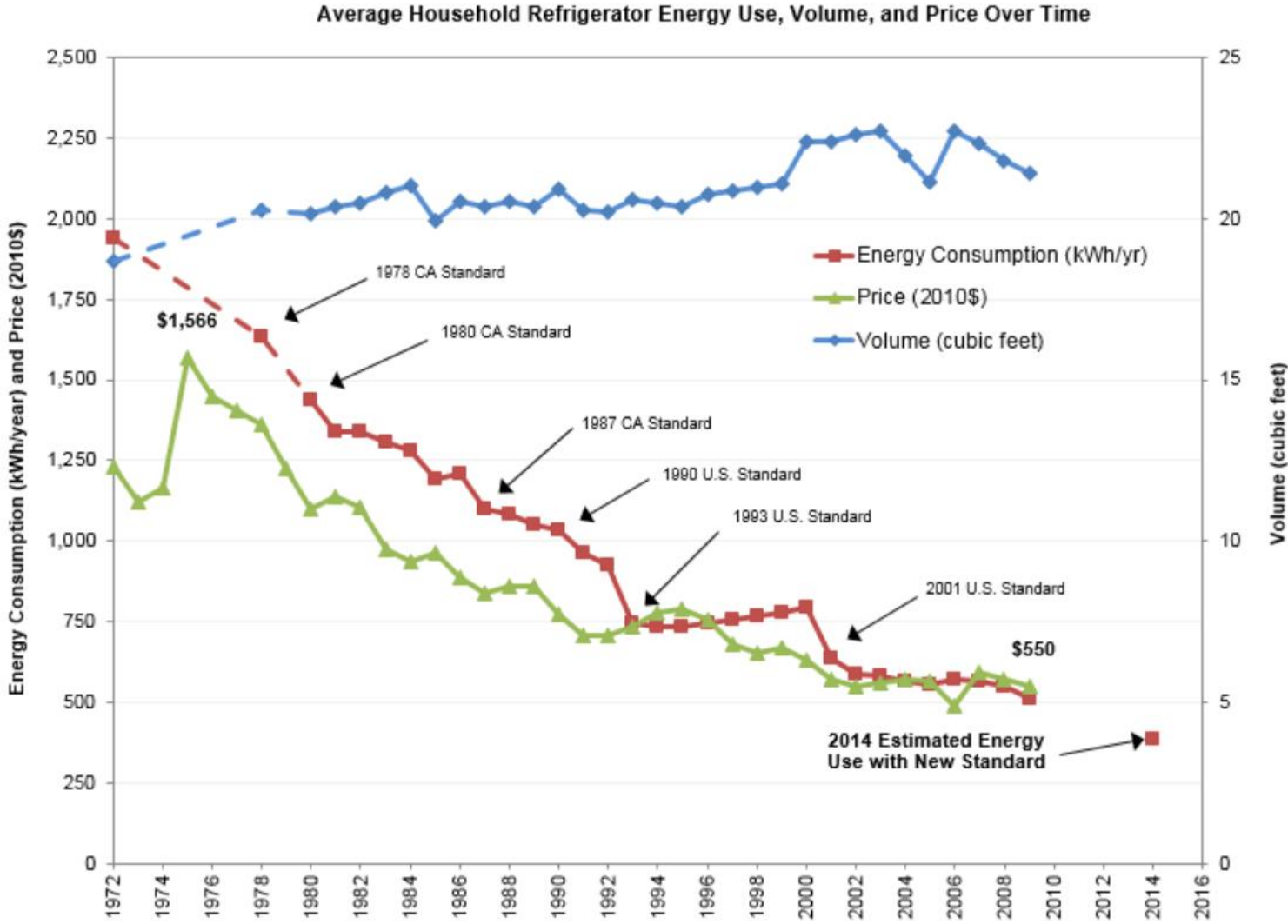
Rhode Island is a leader in energy efficiency in North America. The Council is a key driver of that success, providing technical expertise and informed stakeholder input that shapes energy strategy, planning, and implementation in Rhode Island.



What IS Energy Efficiency?

- **Energy efficiency** is the practice of using less energy to achieve the same result or perform the same task. It can also refer to producing more with the same amount of energy.
- What do we mean by *Investing* in energy efficiency:
 - Technical Assistance (energy systems are complicated!)
 - Financial Incentives and Rebates
 - Financing, Loans, and Grants
- Energy Efficiency \neq Conservation: It's **not** using less and getting less.

Example: Increased Efficiency of Fridges



Electric Refrigerator

Examples of Energy Efficiency

- Using photos & graphics: Insulation; Appliances (fridges as a great example); Lighting; efficient heating systems

High Level – What are Utility Efficiency programs

HALFWAY THERE © ACEEE

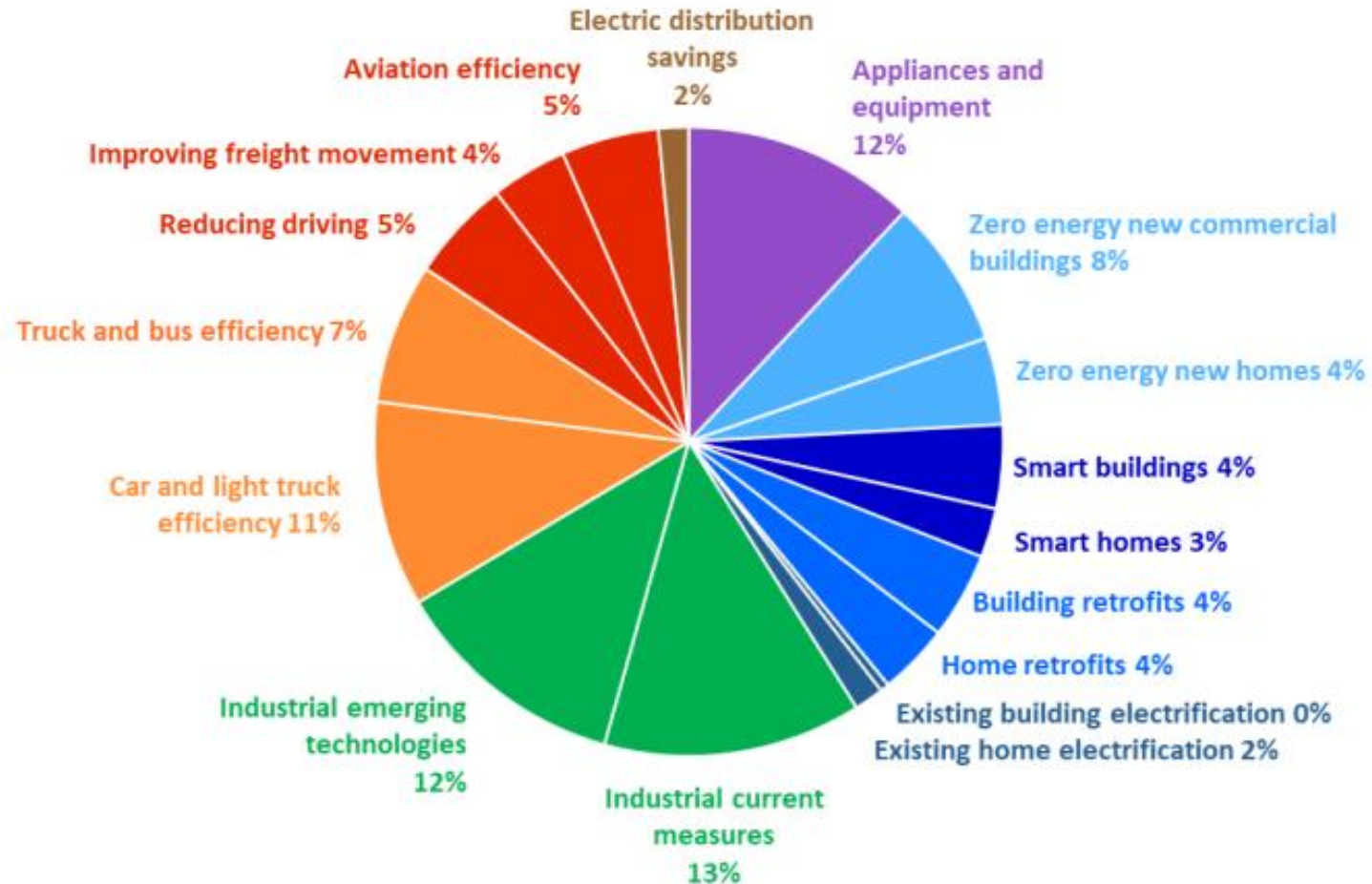


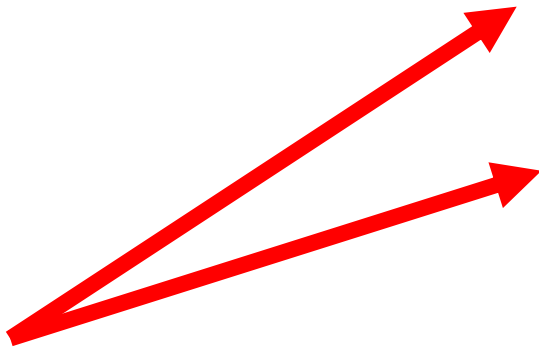
Figure 5. Allocation of energy savings among measures

What's Going on in RI?

- What is Least Cost Procurement? (2006)
- One of the nation's first utility-scale energy efficiency programs
- “Lower cost than acquisition of additional supply, including supply for high periods of demand”
- “Energy Efficiency Less than the Cost of Supply”

What does this mean/How it works?

- Quick diversion to how a bill works?
- Small Surcharge on the bill



Rhode Island Energy
a PPL company

RIE Customer Service: 1-855-743-1101
Monday-Friday: 8:00 AM - 7:00 PM
Electric Emergencies: 1-855-743-1101 (24 x 7)
Website: RIEnergy.com

Meter 00000000 Account 00000-00000 Page 1

Due Date	Amount Due
5/29/24	\$238.71

[Billing Details on Back](#)

Electric Service to:
Customer Name
0000 Main Street
Anytown, USA

Supply \$94.33 Usage from Apr 1 - May 1 **Delivery** \$135.18
Rhode Island Energy
1-855-743-1101 Rhode Island Energy

Last Resort Service
\$0.10377 The current price when comparing supplier offers.
The above rate is scheduled to change on Sep 30, 2024.

Usage Charges \$229.51

WANT TO SAVE?
Close blinds and curtains on south- and west-facing windows to block out summer sunlight.

SHOP FOR ELECTRICITY
Visit www.puc.ri.gov
Account Number: 00000-00000
Rate: XXXX
Billing Cycle: 0 Shopping ID: XXXX

How it Works:

Delivery Details

Rate: A-16 Residential-Std Ofr

Customer Charge		6.00
RE Growth Program Chg		4.02
LIHEAP Enhancement Chg		0.79
Distribution Energy Chg	600 kWh at 0.06304	37.83
Renewable Energy Dist Chg	600 kWh at 0.02444	14.67
Energy Efficiency Programs	600 kWh at 0.01334	8.01
Transmission Charge	600 kWh at 0.04161	24.97

Total Delivery Charges

\$96.29

Impact of Energy Efficiency So Far...

Cumulative Impact of Energy Efficiency on RI Electric Use

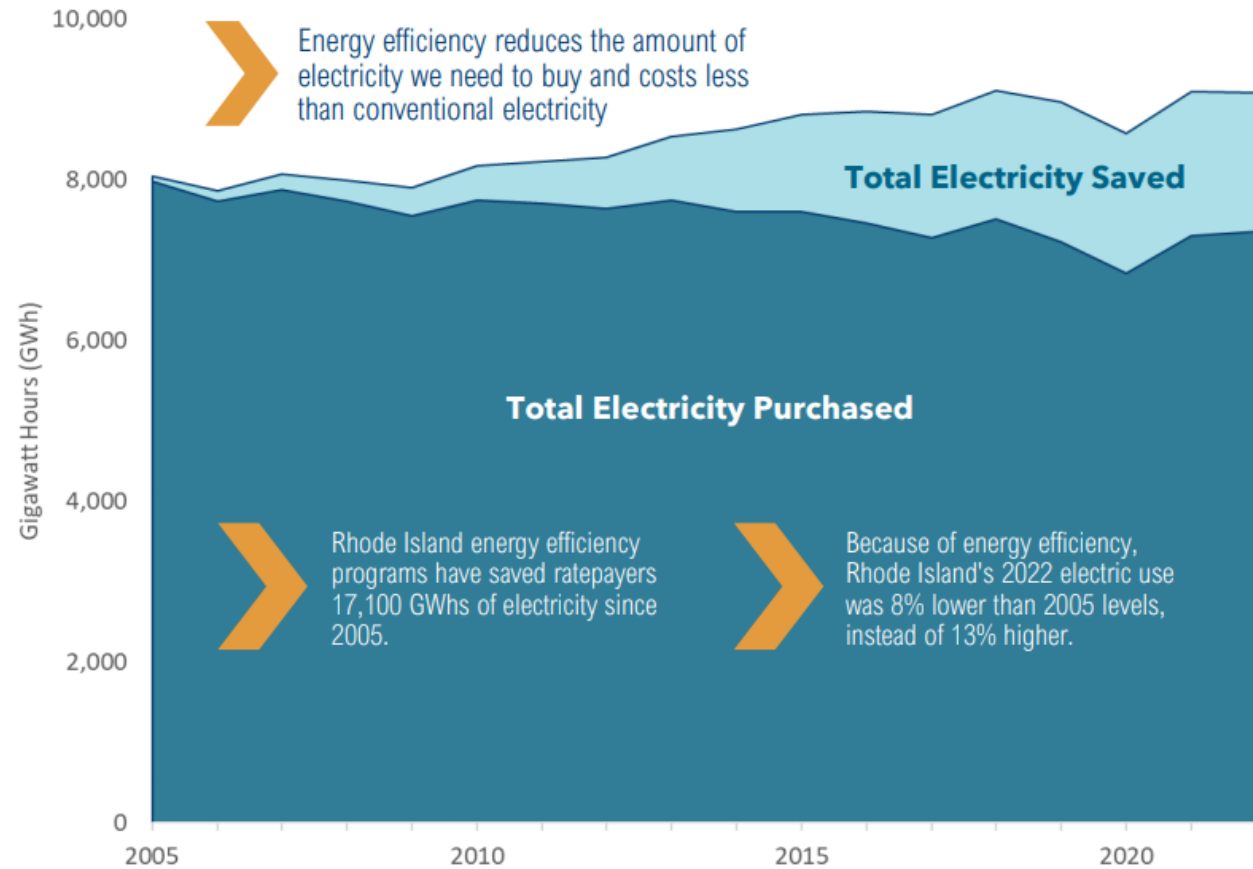


Figure 1. Cumulative Impact of Efficiency Investments on RI Electric Supply Requirements (2005-2022).

Energy Efficiency is Essential to Act on Climate

- *“To achieve the Act [on Climate], all scenarios rely on significant energy efficiency measures, such as building shell retrofits, that far exceed the state’s rate of adoption today”* – Technical Analysis in Future of Gas Docket
- *“While the utilities’ efficiency programs support a number of weatherization programs and appliance efficiency standards, these should continue to be expanded”* – EC4 Act on Climate 2022 Update
- *“Weatherization is a low-risk investment because it is a passive measure and does not rely on operation of equipment, it has measured savings, and savings and benefits from weatherization installed in 2025 will exist for many years regardless of the customers’ current or future heating fuel type”* – 2025 EE Plan Justification Framework

While the programs are working well...

ENERGY EFFICIENCY IS PAYING OFF FOR RHODE ISLANDERS



In 2023, energy efficiency programs in Rhode Island created...

749 jobs
(full-time equivalent)



626 companies
delivered energy efficiency services in 2023



In 2023, energy efficiency programs resulted in...

\$495 million
in total benefits to Rhode Islanders



Over their lifetime, energy efficiency measures installed in 2023 will prevent more than...

609,000 metric tons of greenhouse gas emissions

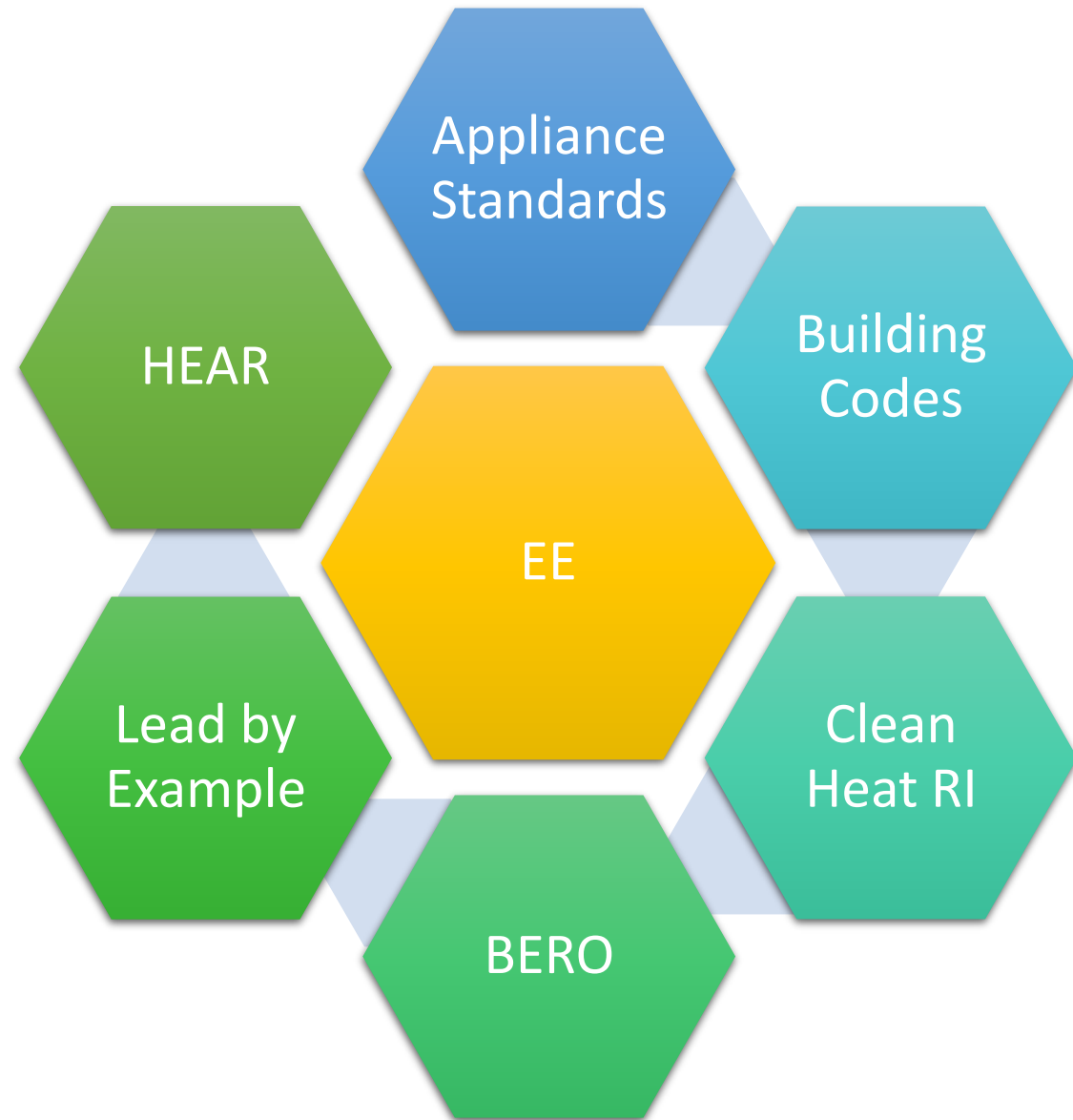


Equivalent to taking over...
145,000 cars
off the road for one year

But a lot has changed since 2006...

- ❑ Gas & Electric Programs are silo'd
 - ❑ → Outcomes like continued incentives for NEW gas powered equipment
- ❑ Still no EE charge on “delivered fuels” (propane)
- ❑ Climate Change necessitates increased electrification
 - ❑ → How to pay for programs
 - ❑ → How to account for new appliances that could be included (outdoor equipment, etc)
- ❑ What is considered in the Benefit/Cost ratio?
- ❑ Declining savings from these programs, while increased need

Programs
don't exist in a
vacuum,
though



Next Steps & Recommendations

Discussion Questions



What key messages does the Council want to ensure legislators understand?

What misconceptions or gaps in knowledge do you think exist among policymakers?

What timing would be appropriate to hold legislator briefing(s)?

Would you be interested in helping to present on behalf of the Council at a legislator briefing?



Market Potential Study

15 minutes – Consultant Team Presentation

30 minutes – Council Discussion

Objectives



Understand purpose and history of Council-led Market Potential Studies (MPS) in Rhode Island

Discuss Council interest in funding a new MPS

- Goals
- Timing
- Next Steps

Market Potential Study Overview

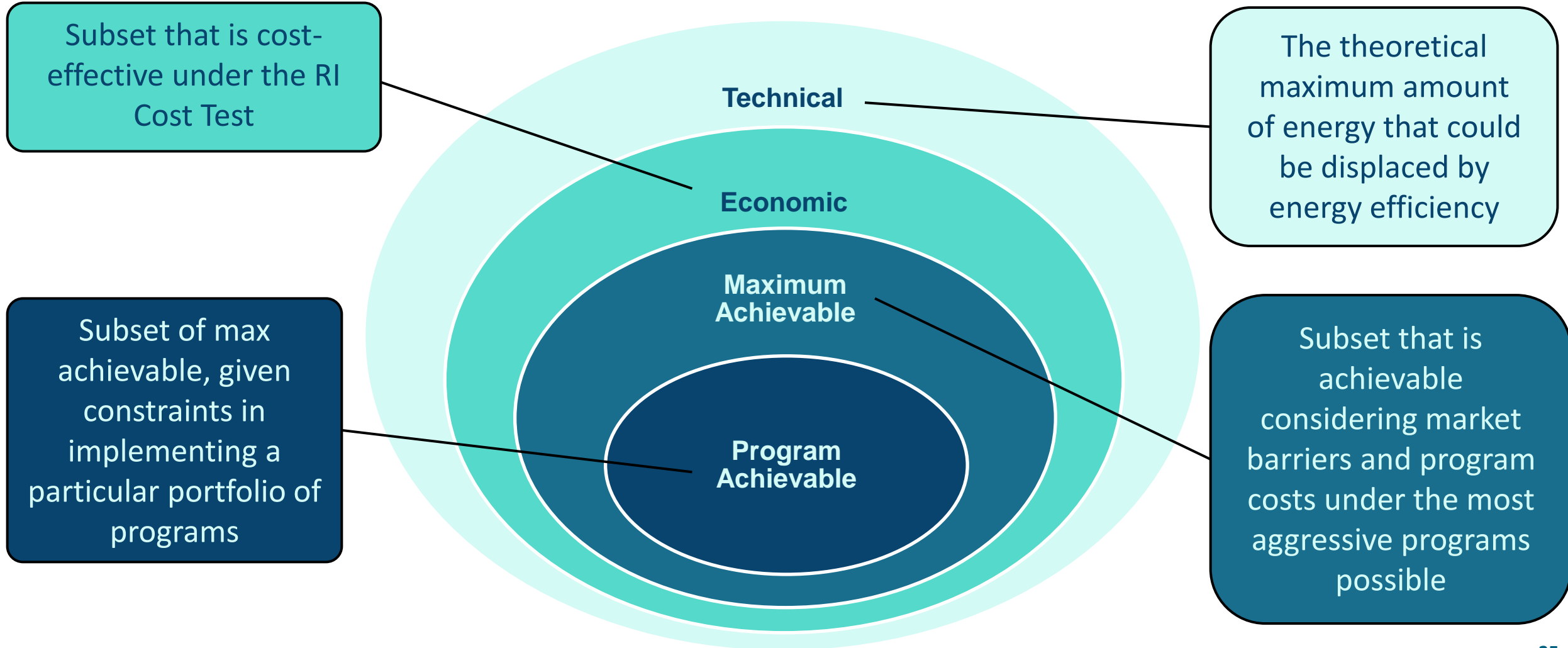


Potential studies are quantitative estimates of available energy savings through efficiency and other clean-energy measures

Potential studies can be used for many applications:

- Setting program savings targets as required by the LCP Standards
- Estimating funding required to deliver programs
- Informing program design
- Quantifying level of emissions reductions that could be supported by energy efficiency programming
- Quantifying the amount/cost of EE for long-term grid planning
- Reassessing EE as markets, technologies, and codes change

Potential Study Scenarios



Limitations of Potential Studies



Though useful for estimating available energy savings, potential studies have limitations

- Uncertainty in predicting future costs, technologies, and codes & standards
- Difficulty in accounting for comprehensive projects
- Disagreements on modeling inputs or assumptions
- Modeling and/or data constraints
 - Example: How to quantitatively capture participation barriers or estimate minimum necessary incentives for different customer groups

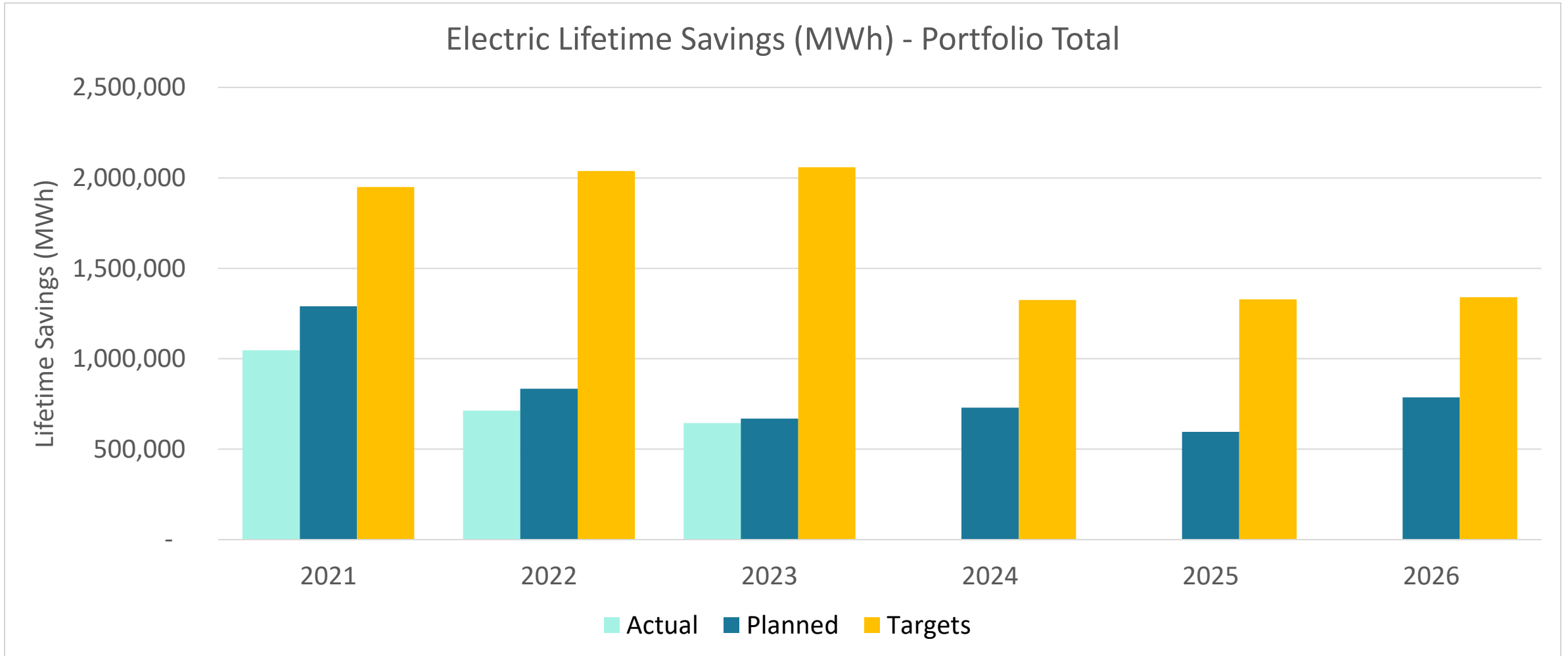
2021-2026 MPS and Study Refresh



Parameter	Study Refresh	Original Study
Study Period	2024-2026 (Three Years)	2021-2026 (Six Years)
Geography	Rhode Island	Rhode Island
Sectors	Residential, Low-Income Residential, Commercial, Industrial	Residential, Low-Income Residential, Commercial, Industrial
Fuels	Electricity (kWh, kW), natural gas, delivered fuels (oil and propane)	Electricity (kWh, kW), natural gas, delivered fuels (oil and propane)
Savings sources	EE and DR only	EE, DR, HE, CHP, PV
Potential Assessment	Technical, economic, and one achievable scenario.	Technical, economic, and three achievable scenarios.

EE (Energy Efficiency), DR (Demand Response), HE (Heating Electrification), CHP (Combined Heat & Power), PV (Solar Photovoltaic)

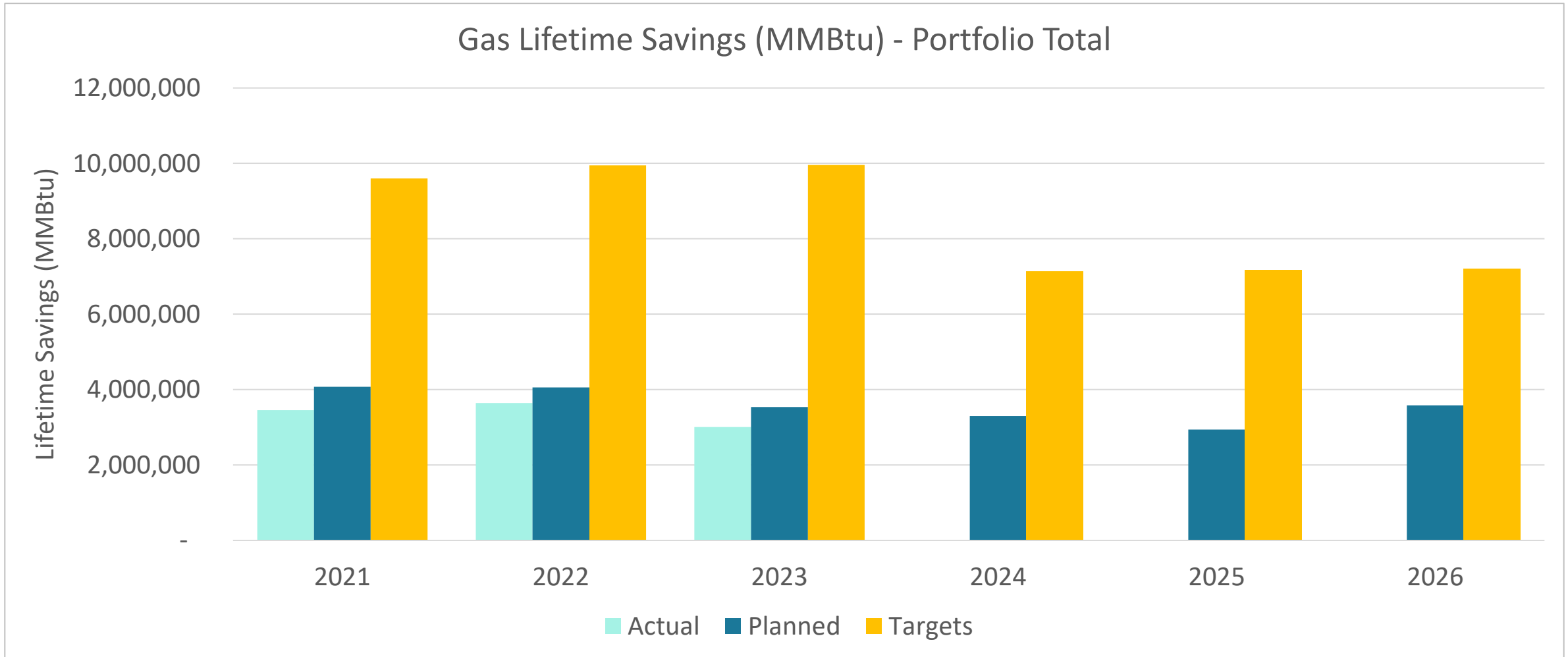
RI Market Potential Study Results – Electric



RI Market Potential Study Results – Gas



Gas Lifetime Savings (MMBtu) - Portfolio Total



Market Potential Study Procurement



Timeline that would be needed to inform Council filing
Recommended 2027-2029 Targets according to LCP
Standards deadline

- January 2025: First Draft MPS Request for Proposals (RFP)
- March 2025: RFP Issued
- May 2025: RFP Responses Due
- June 2025: Council vote on MPS vendor
- July 2025: MPS vendor contract execution
- March 2025: Final MPS Results

Typical MPS Budget Range: \$300-600K

Discussion Questions



Do you have any clarifying questions about the purpose, scope, or implications of an MPS?

Does the Council need additional information to inform a decision about whether or not to conduct a new MPS?

If conducting a new MPS, how would the Council fund it, and over what time period?

What potential drawbacks exist if the Council decides to not conduct a new MPS?



Wrap Up

5 minutes