

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.

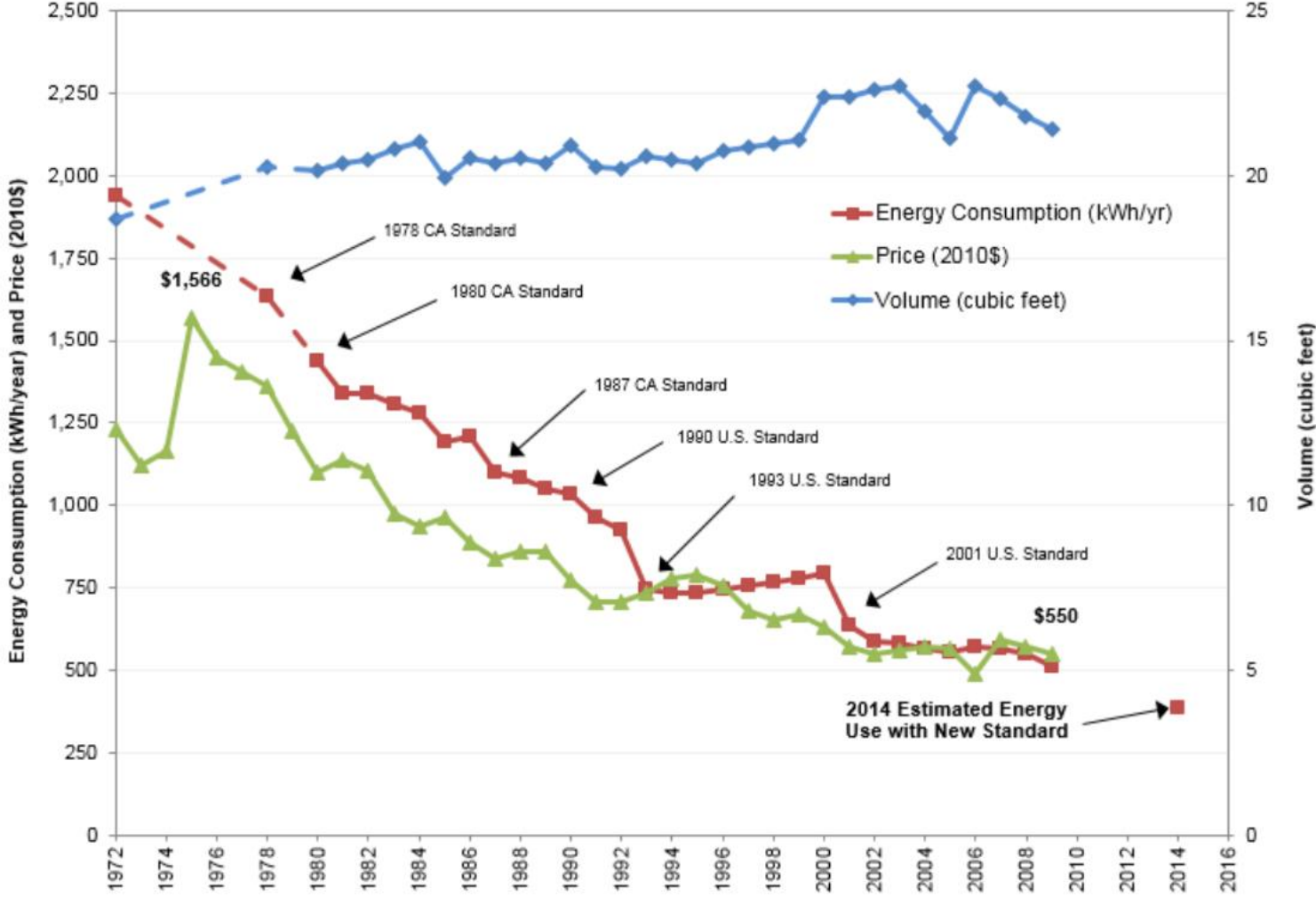


What IS Energy Efficiency?

- **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

Average Household Refrigerator Energy Use, Volume, and Price Over Time



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

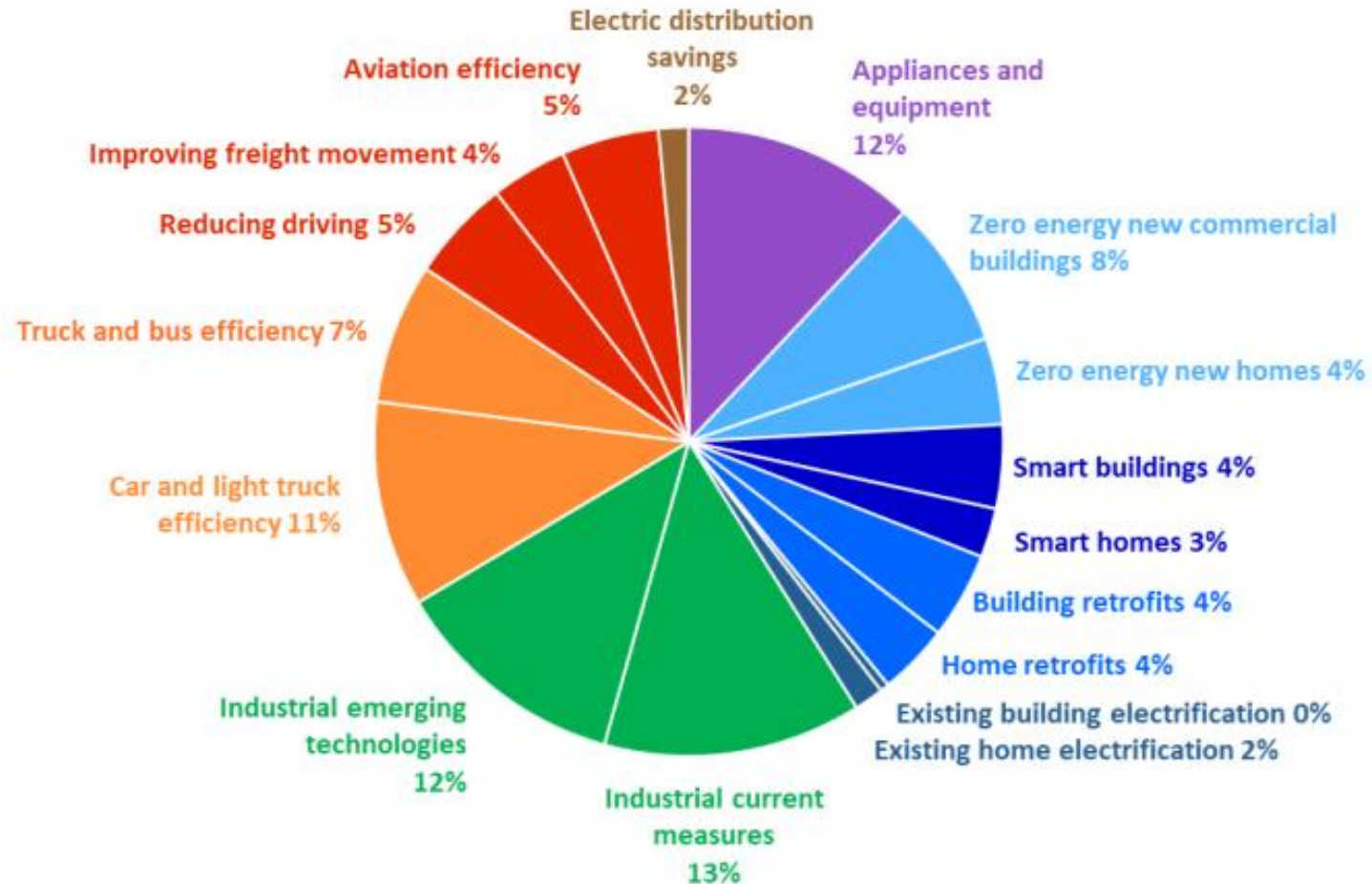


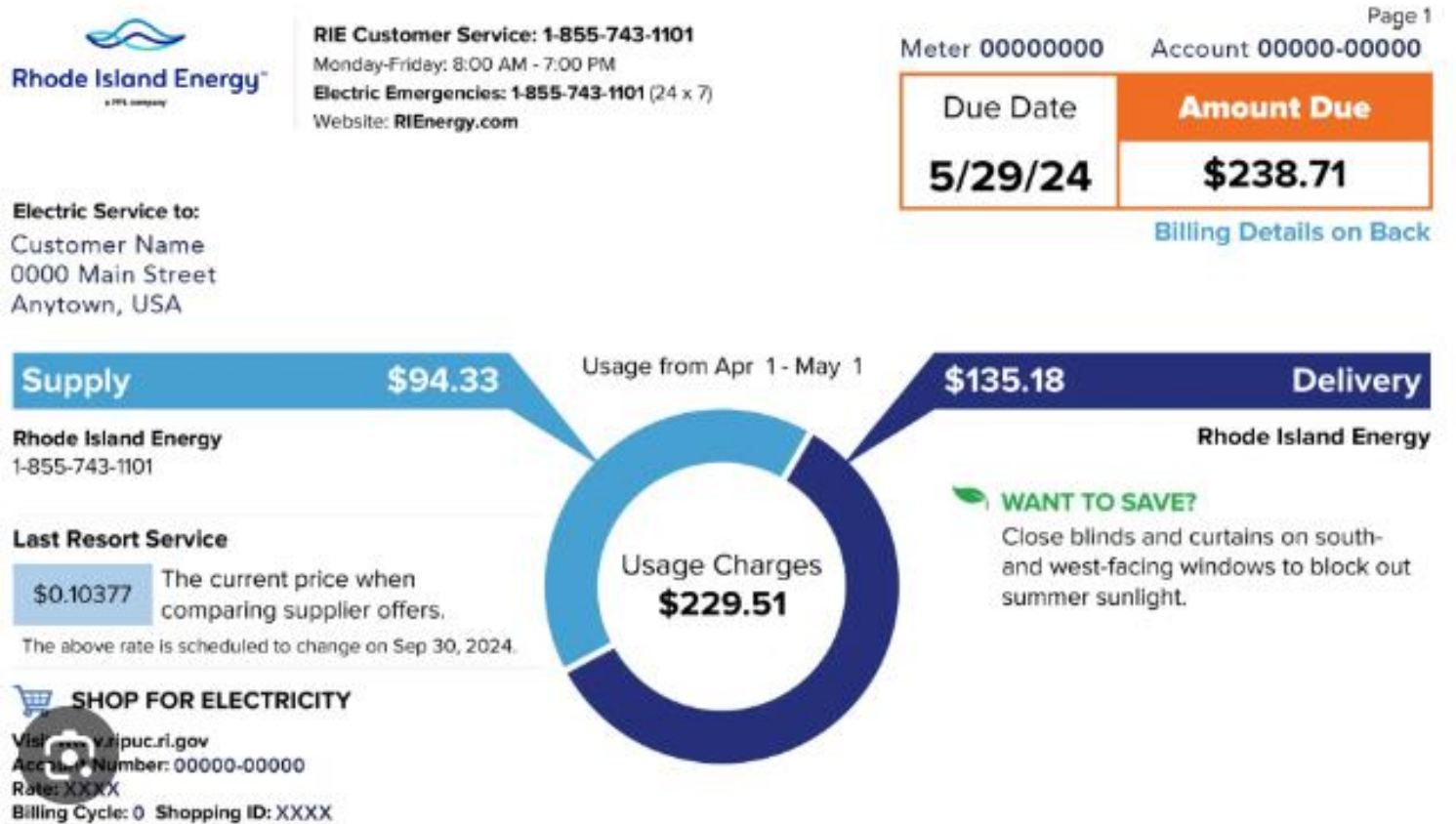
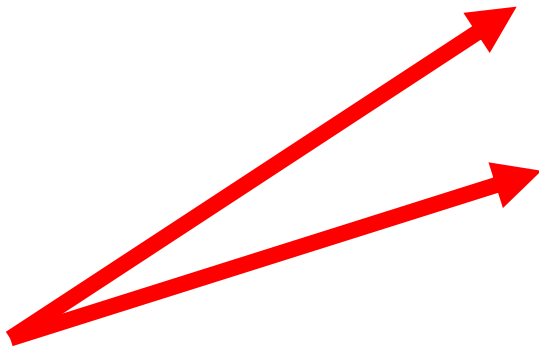
Figure 5. Allocation of energy savings among measures

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



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

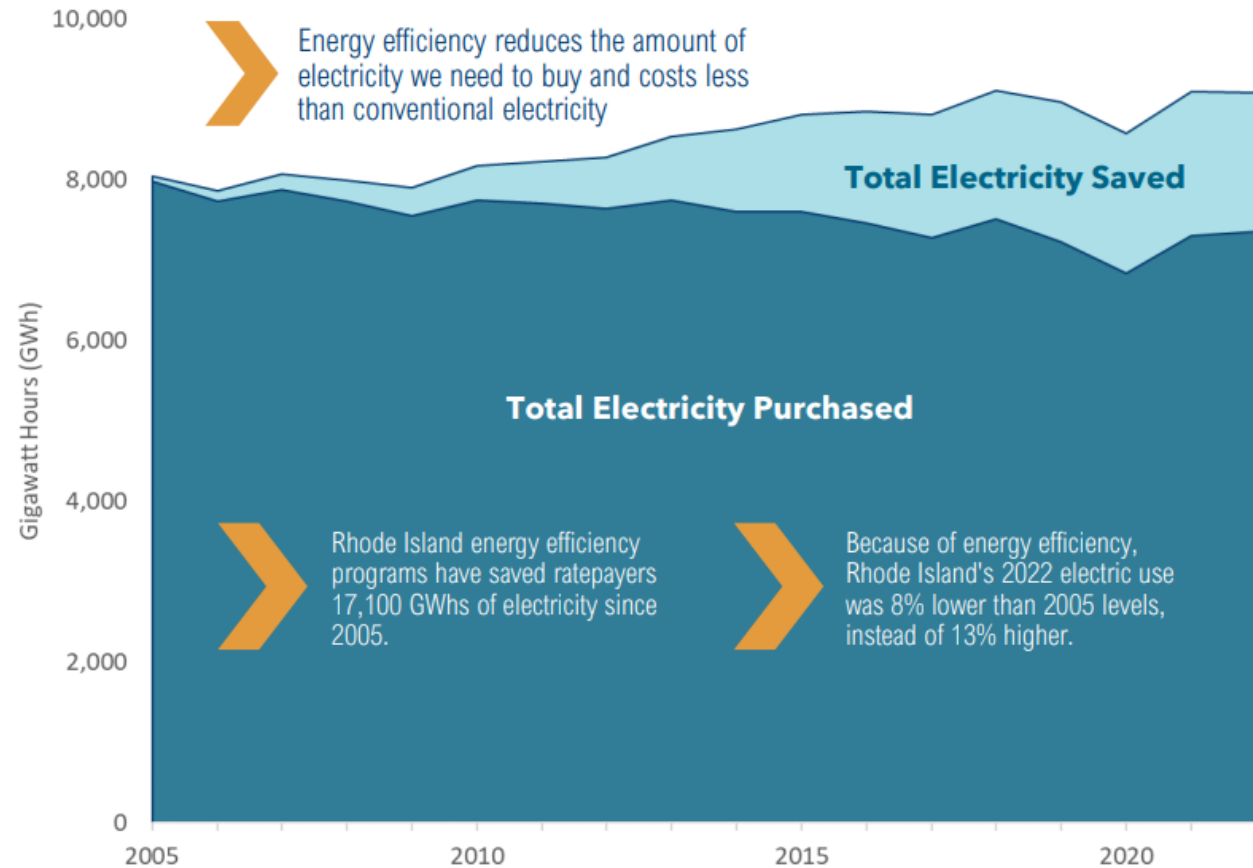


Figure 1. Cumulative Impact of Efficiency Investments on RI Electric Supply Requirements (2005-2022).

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

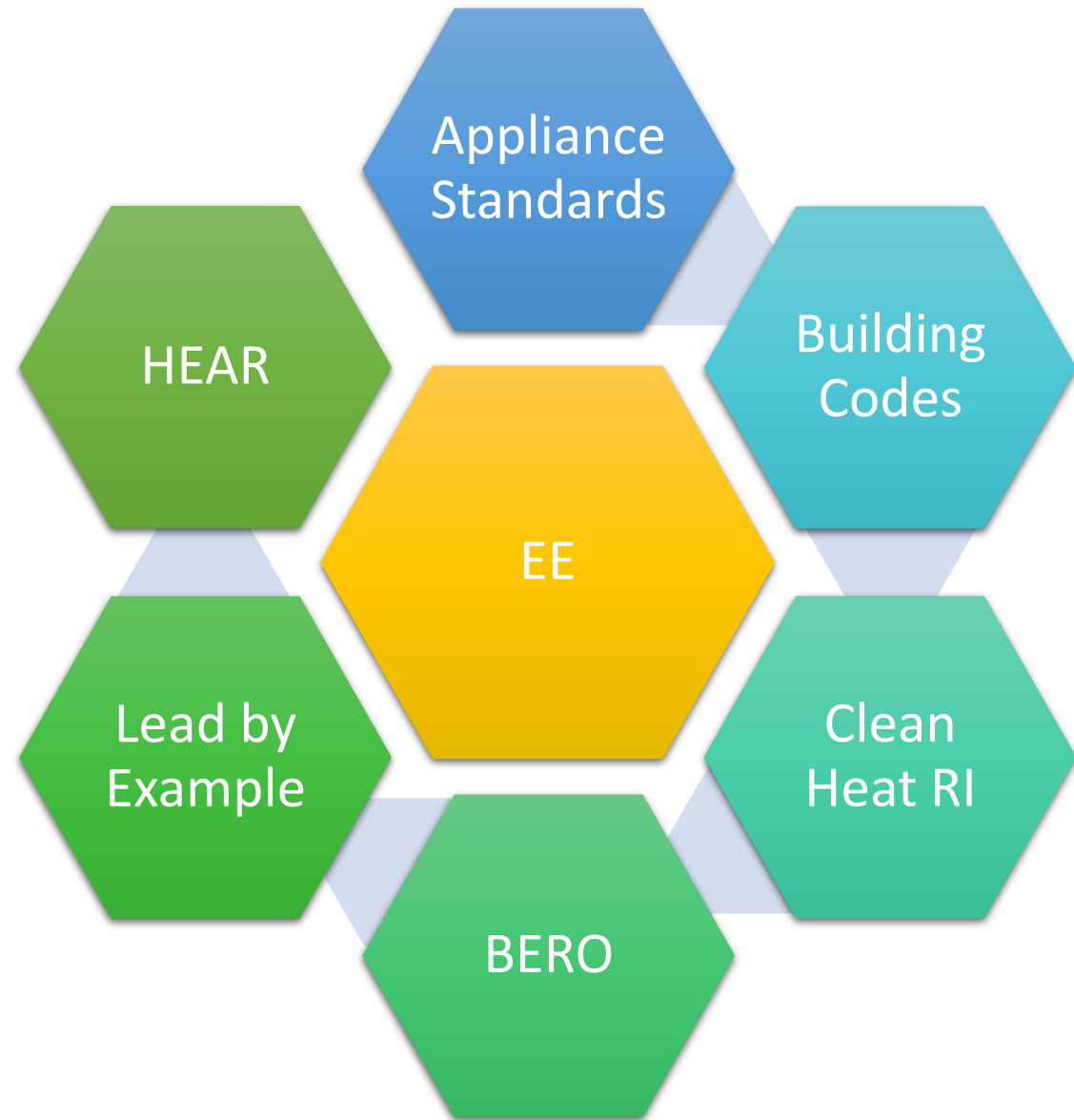


Equivalent to taking over...
145,000 cars
off the road for one year

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