

# Executive Summary

Rhode Island Energy (RI Energy) is interested in defining the market need and determining appropriate incentive options for a moderate-income weatherization offering to inform possible program design in future years. In 2022, RI Energy offered moderate-income customers with a household income up to 80% of the State Median Income (SMI) weatherization measures for no cost (100% incentivized), but this offering no longer exists.

ILLUME Advising conducted the Rhode Island Energy Moderate-Income Weatherization Customer Interest survey to better understand the relationship between incentive levels, motivators, barriers, and participation in weatherization programs for moderate-income customers. After describing weatherization services, the online survey presented respondents with two sets of questions about their willingness-to-pay for weatherization based on both the Gabor Granger and Van Westendorp market research methodologies. We analyzed responses from customers with a moderate-income (60% to 80% SMI; n=129) as well as customers with a low-income (Less than 60% SMI; n=219) and higher-income (80% to 110% SMI; n=183).

## Key Findings

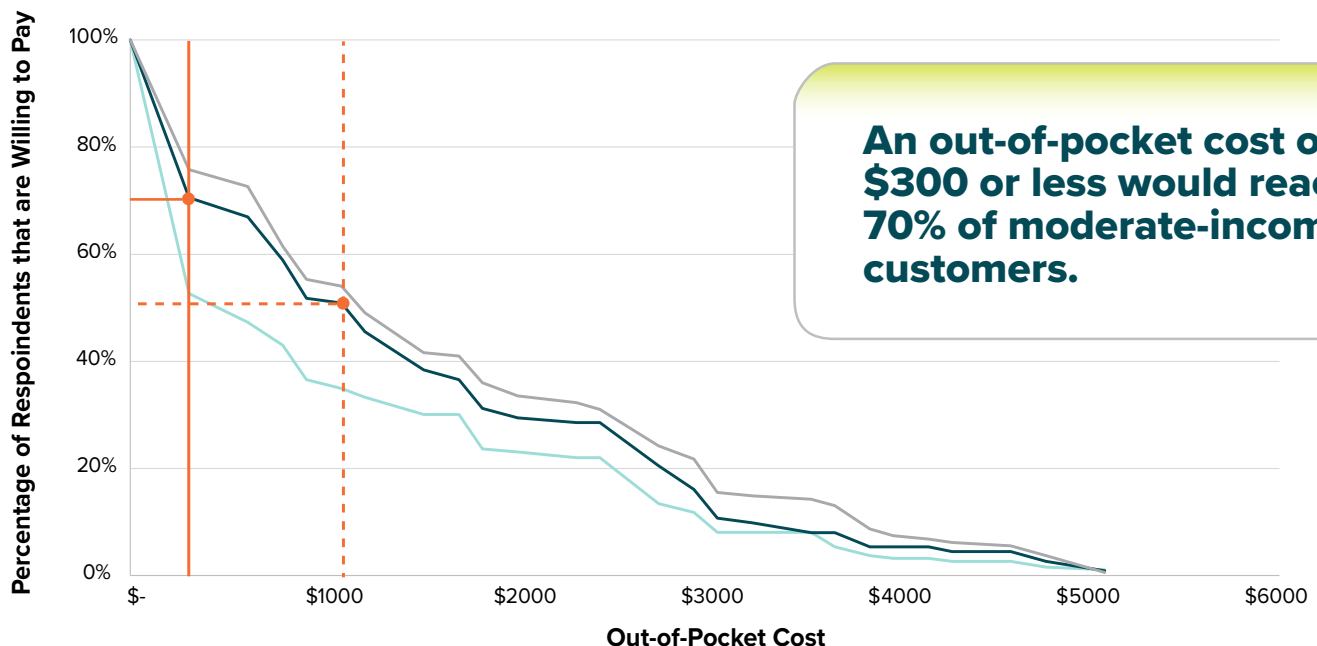
**The optimal out-of-pocket cost for weatherization for most moderate-income customers is no more than \$300.** Most (70%) moderate-income customers would be willing to pay up to \$300 for weatherization services.

**Income fluctuates from year to year for nearly half of respondents.**

Respondents experienced increases or decreases in their income that could bring them in and out of eligibility for a moderate-income program.

**Moderate income respondents were most comfortable with signing a document to attest their income as their form of income verification,** even with the document including language describing penalties if their income does not meet the criteria.

**Some customers may not understand that weatherization services** can address some of their top issues in their homes.



**An out-of-pocket cost of \$300 or less would reach 70% of moderate-income customers.**

- Low Income (Less than 60% SMI)
- Moderate Income (60% to 80% SMI)
- Higher Income (80% to 110% SMI)
- (70%, \$313)
- (50%, \$1,125)

## Recommendations

**Provide incentives for a moderate-income weatherization program that limits the out-of-pocket cost to no more than \$300.**

**Consider adding flexibility to the income requirements** by widening the eligibility band or allowing customers to demonstrate that their income for the year is atypical.

**Allow moderate-income customers to sign a document to self-attest their income** as a form of income verification for weatherization.

**Include messaging and education around the types of problems that weatherization can help fix in the home**, such as having parts of the home that are drafty or uncomfortably hot or cold.

