



July 7, 2025

*Submitted electronically via email*

RI Energy Efficiency Council  
c/o Steven Chybowski  
RI Office of Energy Resources, 4th Floor  
One Capitol Hill  
Providence, RI 02908

**Re: Rhode Island Energy Draft 2026 Energy Efficiency Plan**

Dear Rhode Island Energy,

On behalf of Northeast Energy Efficiency Partnerships (NEEP)<sup>1</sup>, we are pleased to submit comments relative to the Rhode Island Energy (RI Energy) 2026 Energy Efficiency Plan Draft 1 (2026 Plan or 2026 Plan Draft 1). NEEP is a non-profit that drives regional collaboration and best practices in energy efficiency so the Northeast and Mid-Atlantic region can lower energy bills, reduce air and carbon pollution, create jobs, and improve energy and climate resilience.

NEEP thanks the Rhode Island Energy Efficiency Council, the Rhode Island Office of Energy Resources, and RI Energy for the opportunity to provide input on the [2026 Plan Draft 1](#). We commend Rhode Island Energy Efficiency Council and RI Energy for efforts throughout the course of the 2024-2026 plan cycle. Following the passage of [Rhode Island's 2021 Act on Climate](#) establishing statewide greenhouse gas emissions reduction goal, RI Energy has worked to driving decarbonization through efficiency. The five key priorities in the 2026 Draft 1 Plan- increasing participation, deploying next-generation efficiency measures, enabling customers to invest in efficiency for the long term, serving customers equitably, and developing the energy efficiency workforce- are strong pillars on which RI Energy can create lasting change for Rhode Island ratepayers.

NEEP specifically would like to highlight the equity and workforce initiatives in the plan, including the addition of funding to tackle pre-weatherization barriers and the commitment to work with community action program (CAP) agencies to build capacity to serve income eligible customers. These programs will ensure that the benefits of energy efficiency are accessible to residents that can stand to benefit the most. However, the proposed 2026 Plan is the first in the Northeast region that would roll back its level of energy efficiency spending and energy savings commitments. Peer states such as Massachusetts and Maine have recently approved programs that increase energy efficiency budgets and savings targets, giving more of their customers the means to meaningfully reduce their bills and their utilities a least-cost resource to avoid further bill increases. At a time when energy affordability is a priority, energy efficiency can be a critical tool to help lower customer bills. Further, reducing energy efficiency commitments will add to the underlying causes of increased bills.

As is explored below, NEEP strongly recommends that RI Energy maintain the budgets and targets for the 2026 plan year approved as approved in the [2024-2026 Three-Year Plan](#). Additionally, NEEP has highlighted some key program recommendations to consider in drafting the 2026 Plan. The following comments are intended to provide technical assistance and resources relating to energy efficiency planning. In addition to the comments provided, NEEP has tools and resources available and can provide direct technical assistance.

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<sup>1</sup> These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners. NEEP is a 501 (c)(3) non-profit organization that does not lobby or litigate.



## Energy Efficiency Programs are Critical to Ensure Energy Affordability

Nationwide, electricity prices have risen in recent years. From 2022 to 2023, residential electricity prices rose 6.2 percent. Average prices in New England and the Mid-Atlantic have risen the most: prices in both regions are up 19 percent since 2022 and could increase more than the national average through 2026. Gas prices are also [forecasted to climb into 2026](#). Some of the drivers for higher prices include the cost of gas delivered to power generators in New England, growing demand that requires more transmission and distribution upgrades, and deferred maintenance of the grid.

When energy costs increase, more households face high or severe energy burden leading to [economic energy insecurity](#) – the inability to adequately meet basic household energy costs – and must make difficult choices like trading off costs for heating or eating. This inequity is especially pronounced in the Northeast, with [New England](#) demonstrating the largest gap between low-income and median energy burdens, coupled with some of the [highest energy costs in the country](#). These points highlight the need for continued investment in energy efficiency.

Energy efficiency programs are critical to improving energy affordability because they lower overall energy consumption. Programs promote advanced technologies, provide targeted incentives and assistance to customer segments such as low-to-moderate-income customers and renters, improve grid efficiency to constrain costs, and promote prudent long-term utility strategies and investments. [Past NEEP research](#) has shown that targeted engagement can increase enrollment in energy efficiency, arrearage management, and bill assistance programs.

### *Maintain Annual Investment in Electric Efficiency Programs and Savings from 2024-26 Plan*

The current plan proposes reducing investments in energy efficiency to reduce bill pressure on customers. But cuts to energy efficiency programs do not address the issues causing energy bills and may increase customer bills in the long term. NEEP strongly recommends that Rhode Island at least maintain the investment and savings targets for electric energy efficiency programs approved in the [2024-2026 three-year energy efficiency plan](#). Maintaining investment will prioritize energy affordability and ensure market consistency for implementers, contractors, and customers.

RI Energy's proposed budget and targets for 2026 fall short of those approved in the three-year plan by \$36.25 million and 402,567 MWh. That represents a budget cut of 34.8% and, importantly, a reduction in lifetime savings of over 50%. Even compared to the already reduced budgets and targets [implemented for 2025](#) it is a 17.2% reduction in budget and a 32.7% reduction in lifetime savings. While NEEP commends the maintained investment in income-eligible programs, such large cuts to the residential, commercial, and industrial programs have an outsized negative impact on the total savings of the electric efficiency portfolio.

Further, cuts to energy efficiency program budgets do not address any of the underlying issues driving increased energy bills and will only exacerbate them in the long-term. Additionally, these cuts are not compliant with [Rhode Island's Least Cost Procurement](#) law, which requires electric and gas utilities to invest in all cost-effective energy efficiency before acquiring additional supply. Energy efficiency is [the least cost resource](#). Reducing investment in energy efficiency programs will result in unnecessary increases in electric system upgrades and increase the cost of supply, which will increase rates for all customers. Maintaining investment in energy efficiency is essential for controlling or reducing customer electric bills, and NEEP encourages RIE to restore the spending and saving levels proposed in the three-year plan.



## Program Recommendations

### *Expand Multifamily Eligible Equipment*

To increase program accessibility for multifamily property owners, NEEP recommends expanding the current eligible equipment list to include [packaged terminal heat pumps \(PTHP\)](#), [single package vertical heat pumps \(SPVHP\)](#), heat pump window units, and other in-unit heat pumps. In-unit heat pumps are designed to be a like-for-like replacement for HVAC technologies common in multifamily properties like packaged terminal air conditioners (PTAC) and window unit air conditioners. Additionally, in-unit heat pumps are a [viable alternative to central HVAC system replacement](#) if such replacements are cost prohibitive or technically infeasible.

### *Maintain Home Energy Reports*

NEEP encourages Rhode Island to maintain the Home Energy Reports program to ensure consistency in program offerings and continue investment in a cost-effective program that enables tailored customer engagement. The program consistently engages customers with behavior science techniques that drive action, including [energy conservation and participation in the HVAC and Hot Water programs](#). Additionally, the Home Energy Report program enables RIE to have a balanced portfolio with low-cost energy savings. In the 2024-2026 Energy Efficiency Plan, the Home Energy Report program has an average benefit/cost ratio of [2.67 for the electric program and 4.05 for the gas program](#) and delivered over \$7 million in total benefits. Further, stopping can make it more difficult to achieve the same level of engagement.

Home Energy Reports can also help with energy affordability and alert consumers of high bills. These proactive alerts warn customers when they are trending towards higher usage than normal. High usage alerts also reduce service costs by reducing calls to the call center and ensure less bill shock. In 2023, an [affordability pilot](#) to increase enrollment in financial assistance and energy efficiency programs saw enrollment increase from 3 to 6 times the average.

### *Increase Tenant Protections and Affordable Housing Preservation*

NEEP commends Rhode Island Energy for the comprehensive multifamily offerings detailed in section 2.3 and the forward-thinking equity provisions included in section 2.6.1. NEEP recommends further protecting renters in income-qualifying programs by requiring property owners to commit to rent affordability preservation agreements as a condition of program participation, adding anti-displacement measures to ensure efficiency upgrades do not result in tenants losing access to stable, affordable housing, and including requirements for participating landlords to share utility savings with tenants in master-metered buildings.

### *Establish a one-stop-shop dedicated multifamily program*

Rhode Island Energy's intention to offer energy benchmarking services to low performing properties is a step in the right direction for advancing residential building energy efficiency and improved energy affordability where it is most needed. The multifamily sector faces specific challenges, including renter/landlord split incentives, longer project timelines, a need for engagement and communication with renters, and workforce needs. Large building owners may not be familiar with the benefits of energy efficiency improvements, nor with the available options for energy efficiency technologies and programs. A one-stop-shop offers a single point of entry for large building owners to access energy assessments, programs, and qualified building contractors for various types of upgrades. Rhode Island could refer to the [LEAN Multifamily Program](#) in Massachusetts, which delivers complete energy efficiency measures for affordable multifamily buildings across the state, including building assessments, project management, and post-project inspections.



***Consider a formal statewide program to focus gas program dollars on weatherization.***

NEEP also recommends focusing gas program dollars on weatherization upgrades, which will target energy efficiency, energy affordability, and alignment with the state's climate and weatherization goals. As a similar example, Mass Save PAs will implement the "[Mass Save Electrification](#)" umbrella program in the 2025-2027 cycle that provides heat pump rebates regardless of whether the customer has a gas or electric utility. This program is an [innovative statewide electrification program](#) offered by both the electric and gas PAs that uses a single statewide touchpoint, reducing confusion for customers and streamlining participation. While innovative, this approach is not a new method of savings allocation. Past and current efficiency programs have [allocated a proportion](#) of savings across various actors to encourage coordination and cooperation when two or more parties come together to deliver one program.

## Conclusion

Maintaining or expanding existing program measures will strengthen the ability for RI Energy to reduce ratepayer bills and increase energy affordability. Expanding the multifamily program to allow a greater variety of heat pump technologies will provide builders and contractors with the optimal solutions for their projects. The Home Energy Report program provides a valuable tool for customer education and outreach in addition to direct energy savings. Rent affordability agreements will help ensure that energy bill reductions do not come at the expense of other increases in the cost of living for those with the greatest burden. As RI Energy continues to plan for 2026, NEEP encourages RI Energy to consider how these efforts can coordinate with efforts in the region, like the New England Heat Pump Accelerator.

Surrounding states in the Northeast have maintained or increased their investment in energy efficiency, recognizing its value for both program participants and through avoided supply and infrastructure costs. By maintaining its commitment to investing in energy efficiency, Rhode Island can provide its ratepayers with meaningful, long-lasting bill reductions. These comments are intended to support the work currently underway with the Draft 2026 Energy Efficiency Plan, and we appreciate the opportunity to provide input. NEEP is available to provide technical assistance and assist Rhode Island Energy Efficiency Council and RI Energy in pursuing [strong energy efficiency and decarbonization goals](#).

Sincerely,

A handwritten signature in black ink that reads "Erin Cosgrove".

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