



Toby Ast
Rhode Island Energy
280 Melrose Street
Providence, RI, 02907

July 7th, 2025

RE: Green Energy Consumers Alliance Comments on Rhode Island Energy's Draft 2026 Energy Efficiency Plan

Dear Toby,

Thank you for the opportunity to comment on Rhode Island Energy's initial draft of the 2026 Energy Efficiency Plan. Green Energy Consumers Alliance is a nonprofit organization based in Providence with the mission to empower consumers and communities to speed a just transition to a zero-carbon future. We respectfully submit the following comments.

In 2021, Rhode Island enacted the Act on Climate (AOC) creating mandatory and enforceable emissions reductions targets. As the largest distribution utility in the state, Rhode Island Energy (RIE) has a central role to play in helping decarbonize energy delivered to customers. According to a presentation to the Executive Climate Change Coordinating Council (EC4) of the 2022 RI Department of Environmental Management Greenhouse Gas Inventory, the state must reduce emissions by about 3.3% annually to meet the state mandates. That assumption includes calendar years 2023 and 2024, for which a GHG inventory has not yet been published, so the rate of reductions may now be greater than ~3.3% annually. With that in mind, our comments on the draft 2026 Energy Efficiency Plan are below, sorted into themes and by reference document.

Emissions Reductions

Efficiency Plan Main Text Outline Comments

The overall draft 2026 energy efficiency plan lowers programmatic spending by 15%, which is a \$14.2M reduction in spending for electric energy efficiency programs. This reduction in spending shows underinvestment in programs that help Rhode Island reduce its emissions in line with the Act on Climate mandates. While bill affordability should be considered when making these investments, Rhode Island Energy (or 'the Company') should consider what measures the company needs to take to ensure Rhode Islanders are installing electrification and efficiency measures instead of taking steps that lower near term costs but perpetuate use of volatile and costly fossil fuels.

Additionally, in the “Strategic Overview of Programs and Priorities” section on page 3, there is a graphic of the 5 key priorities of the plan, which does not include aligning programs with the Act on Climate mandates. In prior year plans, such as the 2023 plan, aligning energy efficiency programs with the mandate established by the Act on Climate was a priority, and given the role the Company plays as the largest utility, aligning programs with the Act should continue to be a priority.

Page 26 states that “increasing customer-sourced collections will increase electricity prices, which will deter electrification and therefore may slow decarbonization. Therefore, the 2026 Annual Plan will start to focus on driving affordability benefits – lower electricity and gas bills”, however lower gas and electric bills due to lower energy efficiency charges will likely also slow the pace of decarbonization because there is less funding collected to promote technologies and fund incentives that would speed decarbonization efforts. Additionally, the energy efficiency charge on utility bills is not one of the main drivers for high utility costs, even though energy efficiency and other clean energy programs were frequently blamed this past winter. Therefore, lowering the energy efficiency charge may have a negligible impact on lowering utility bills and should not be purported to do so.

Attachment 1: Residential Programs Comments

Continuing to offer incentives for fossil fuel equipment like furnaces and boilers as outlined on page 21 is contrary to the Act on Climate. Funds for the energy efficiency program for gas heated homes and buildings should be focused on building envelope improvements, smart thermostats, etc.

On page 20, we appreciate that offering benchmarking services to housing authorities will be pursued as a way to enhance participation in the multifamily program. We suggest that data from participating housing authorities be anonymized and formatted so that the energy usage of large housing complexes can be understood by the public.

Electrification

Efficiency Plan Main Text Outline Comments

On page 20, a target of 750 electric resistance heat (ERH) to heat pumps conversions annually is the goal RIE established based on a recommendation by the Public Utilities Commission. This target is far too low for the state to meet the Act on Climate mandates. At the rate of 750 per year, it would take 85 years to shift all homes with inefficient electric

resistance heat to heat pumps. We encourage the Company to outline a new conversion goal that would shift all ERH homes to ASHP by 2050.

Attachment 1: Residential Programs Comments

Page 6 states that “Rhode Island Energy has increased targets in 2026 for [heat pump water heaters]”, but when reviewing the EnergyWise Single Family (EWSF) HPWH section (pg. 10), there is no target outlined, or a reference for the target in the 2025 program year. It is unclear how Rhode Island Energy aims to increase targets in the EWSF program if the current draft plan lacks prior year targets and implementation numbers.

Additionally, we think there is great opportunity to further increase the goal for heat pump water heater (HPWH) installations for the income eligible single family (IESF) program in the 2026 Program Year from the existing 35 installation target cited on page 16. The company has information on how many of their customers eligible for the IESF program receive electric hot water, all of whom would benefit from switching to a HPWH due to the efficiency gains. Switching from electric resistance hot water to a HPWH will be more efficient and save customers money, which is especially important for income eligible ratepayers. Therefore, the target should be increased, and there should be a concerted effort to perform increased outreach to this customer segment. Also, if the IESF HPWH goal is the only HPWH target that will be increased in the upcoming program year, that should be clearly stated in the 2026 Overview on pg. 6.

Again, the Residential New Construction (RNC) program should not fund new fossil fuel equipment in the incentive offerings. Funding new fossil equipment explicitly moves Rhode Island Energy, and Rhode Island as a whole away from meeting the mandates in the Act on Climate. By not funding incentives for new fossil equipment in the RNC program, more funding will remain available for funding high efficiency electric equipment. All electric new construction prevents costlier, future retrofits to electric equipment.

Affordability & Rate Design

Efficiency Plan Main Text Outline Comments

To ensure electric rates remain affordable and to encourage electrification, Rhode Island Energy should evaluate the role rate reform will play and develop seasonal electric rates, such as the seasonal heat pump rates currently being established or already in place in states including Massachusetts and Maine. Seasonal heat pump rates more equitably charge heat pump users for the cost to serve them without subsidizing their bill via ratepayers that do not have a heat pump.

Other comments

Efficiency Plan Main Text Outline Comments

On page 22, the 'social influencer effort' undertaken in 2024 is mentioned, and that the program will be expanded in 2026. While there is an explanation of what the program is, there is no explanation of the cost of the program and how success was measured and tracked. Without sharing those metrics publicly, it is unclear to the public how that program improved, if at all, participation in programs offered by RIE and understanding of how to make more energy efficient choices. We encourage the Company to provide transparency into this program and how it increased participation.

On page 55, the Company writes that the RI Energy team was focused on striking a balance between delivering benefits of energy efficiency and maintaining a budget "given present economic realities affecting Rhode Island". We would like to again stress that the Act on Climate mandates are also a reality affecting Rhode Island. Reducing bill pressure in the near term may have unintended consequences as homeowners look to electrify in the future or install new fossil fuel equipment in the coming years and are left with a stranded asset as the gas system decommissions.

Green Energy Consumers thanks Rhode Island Energy for the opportunity to provide comments on the Company's first draft of the 2026 Energy Efficiency Plan.

Sincerely,

Tina Munter, RI Policy Advocate

Green Energy Consumers Alliance

Tina@greenenergyconsumers.org