



Northeast Energy Efficiency Partnerships

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August 18, 2025

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Comments on Second Draft of 2026 Energy Efficiency Plan

To Whom It May Concern:

On behalf of Acadia Center and Northeast Energy Efficiency Partnerships (NEEP), we are pleased to submit joint comments on the second draft of Rhode Island Energy (“the Company”)’s 2026 Annual Energy Efficiency Plan (“2026 EE Plan”).

Acadia Center is a non-profit research and advocacy organization committed to advancing the clean energy future. Northeast Energy Efficiency Partnerships (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.

We appreciate the Company’s continued efforts to solicit input through its collaborative annual planning process. These written comments serve as a record of and supplement to public comment before the Energy Efficiency Council as well as participation in meetings of the Energy Efficiency Technical Working Group and Energy Efficiency Equity Working Group.

Impact of 2026 Budget Cuts on Benefits, Savings and Jobs

The second draft of the 2026 EE Plan contains a 30.5% reduction in program funding compared to the budget proposed in the three-year 2024-2026 Energy Efficiency Plan (“3YP”). This downward trend in budget is shortsighted and to the detriment of Rhode Island homes and businesses. As Figure 1 demonstrates, these cuts will eliminate nearly \$92M in benefits for Rhode Islanders.

A 30.5% reduction in program budget leads to 37.2% drop in net lifetime gas savings and a 41.4% reduction in net lifetime MWh savings, highlighted in Figure 2. The cuts to energy savings are much larger, in a relative sense, than the reductions in the program budget, highlighting the disproportionate impact on lifetime energy savings. Figure 3 shows reductions in job-years attributable to the budget reductions, a 34% reduction from 3YP levels.

Figure 1. Gas & Electric: Rhode Island 2026 Energy Efficiency Annual Plan (“2026 EE Plan”) Comparison of Spending & Benefits Scenarios

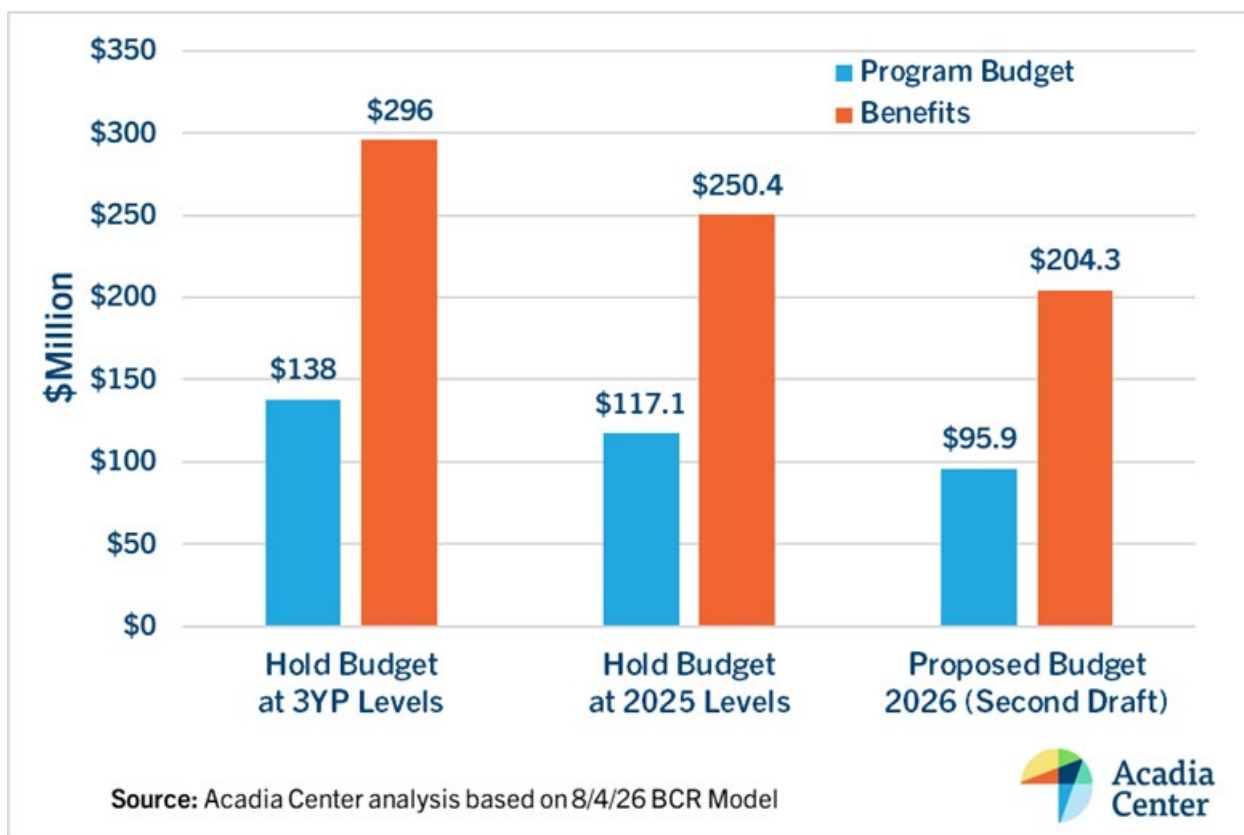


Figure 2. Gas & Electric: % Decrease in Overall Program Budget and Energy Saving Impacts: 2026 3YP Version → 2026 EE Plan

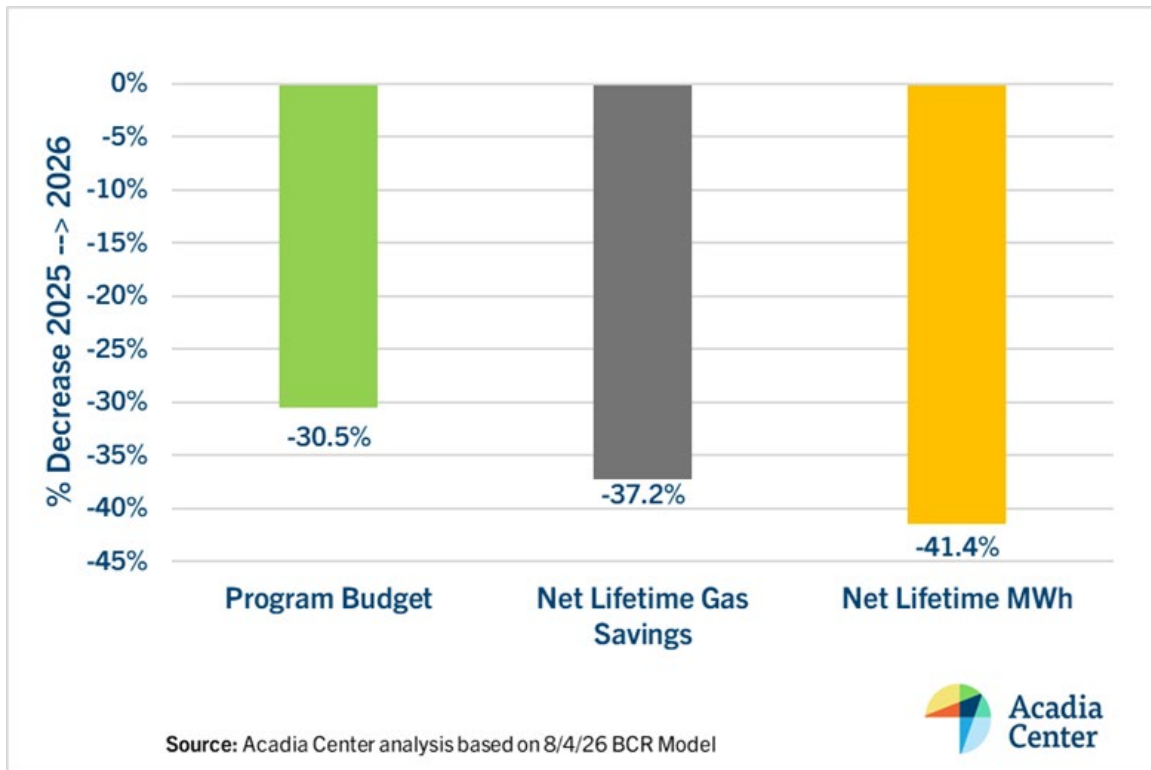
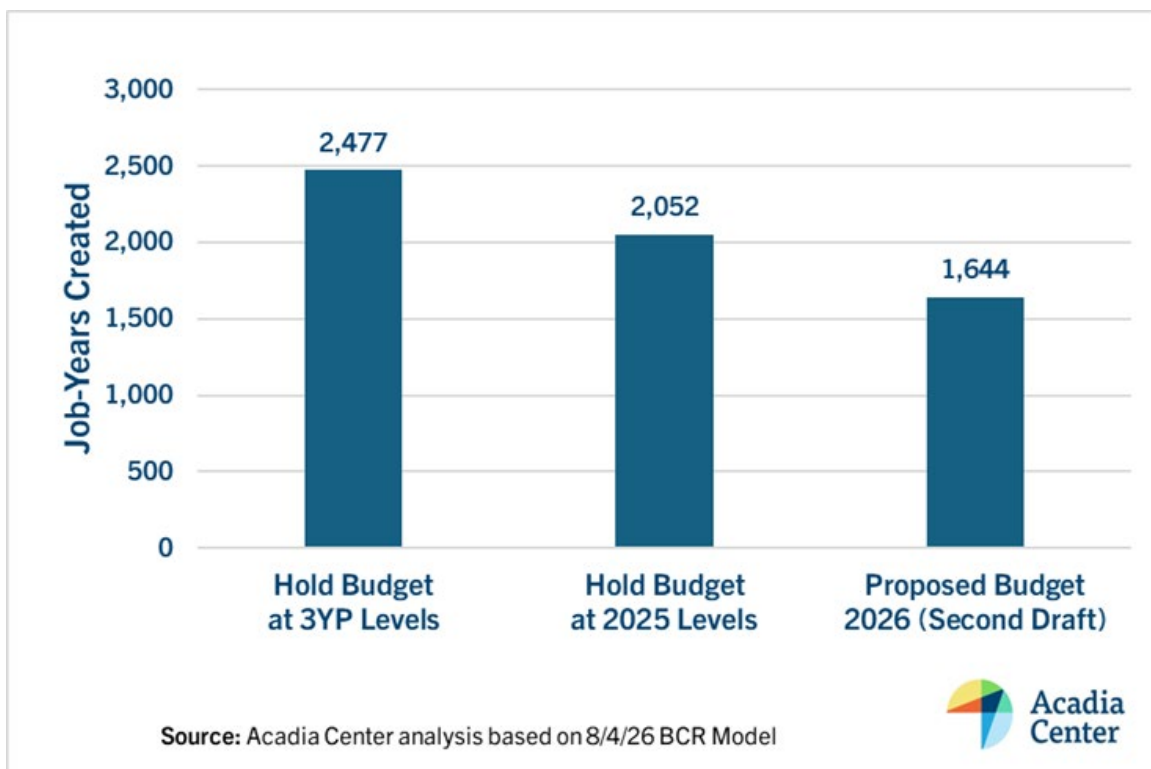


Figure 3. Gas & Electric: Rhode Island 2026 EE Plan Job Creation Resulting from Program Investment Scenarios



Continued Investment in Energy Efficiency Programs is 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. Research has shown that [targeted engagement can increase enrollment](#) in energy efficiency, arrearage management, and bill assistance programs.

Align with Other Energy Policies and Programs

The energy efficiency of buildings is a fundamental component of meeting the state's emission targets ([Chapter 42-6.2 2021 Act on Climate](#)). Unfortunately, the scaled back budgets and programming of the 2026 EE Plan does not align with the growth of energy efficiency and associated reduction in energy demand assumed by the state's climate planning.

The 2022 Climate Update emphasizes the need for the energy efficiency program administrator to not only continue but to expand programs in order to capture additional energy savings; we expect the 2025 Climate Plan to continue to rely on significant energy efficiency to reduce emissions from buildings. In the technical analysis produced as part of Rhode Island's Investigation into the Future of Gas ([Docket No. 22-01-NG](#)), the reference scenario and all decarbonization pathways incorporate aggressive assumptions around weatherization adoption.

There is particular opportunity in the 2026 EE Plan to target energy efficiency programs to reduce the design-day peak hour capacity gap on Aquidneck Island, in alignment with [Docket No. 25-16-NG](#). In 2022, a permit for the LNG facility at Old Mill Lane was conditionally permitted to meet a short-term need, in response to a prolonged gas shortage faced by Aquidneck Island in January of 2019. Rhode Island Energy's June 2025 filing failed to provide detailed demand response or energy efficiency programs to address the gas capacity constraint and ensure greater long-term viability and safety for the people of Aquidneck Island. Energy efficiency on the island is a robust viable solution to meet system needs in a manner that is less than the cost of the alternative.

Due to the ongoing, large-scale AMF meter deployment, as well as the ready availability of best practices from other major US utilities, Acadia Center and NEEP urge Rhode Island Energy to pilot the integration of specific AMF applications in the 2026 EE Plan. Time varying rates (TVR), specifically, is a critical tool for both electrification and bill savings. The significant potential for customer engagement and precise program management demands early testing and iteration, leveraging tested strategies from other jurisdictions. The continued delay of such planning is to the detriment of ratepayers who cannot yet benefit from their significant investment in advanced meters – the benefits remain solely for the Company and its shareholders.

Conclusion

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 2026 EE Plan, and we appreciate the opportunity to provide input.

Sincerely

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