

2026 EE Plan Docket Engagement

Consultant Team Presentation

Date: October 16, 2025

Outline



Regulatory Review Process

Budget Testimony

EE Plan Testimony

Next Steps and Discussion



Regulatory Review Process

Docket Schedule



October

- **October 1st:** Rhode Island Energy Filed Plan
- **October 10th:** Deadline to File Motions to Intervene
- **October 15th:** Objections to Motions to Intervene Due
- **October 17th:** Council testimony and documentation regarding budget due ★
- **October 22nd:** Council's Cost-Effectiveness Report Filed
- **Ongoing:** Data Requests ★

November

- **November 3rd:** Intervenor Pre-filed Testimony/Comments ★
- **November 10th:** Rhode Island Energy Reply Testimony/Comments
- **Ongoing:** Data Requests ★

December

- **TBD:** Public Comment Hearing
- **December 10-12th:** Commission Evidentiary Hearings ★
- **TBD:** Commission Ruling

★ Opportunities for continued Council input

Opportunities for Council Input



Data Requests

- The Council may issue data requests to inform its recommendations and ensure that specific information is highlighted publicly in the Docket

Pre-Filed Testimony

- Pre-filed testimony allows the Council to raise areas for Commission consideration in the Docket without making a specific recommendation or requested approvals

Recommendations/Requested Approvals in Hearings

- If the Council reaches consensus on an issue and resolution, then it can recommend that the Commission take specific action
 - Example: “The Council requests that the Commission direct the Company to do X,Y,Z”



Council Budget Testimony

Budget Testimony Sponsorship



Historically sponsored by Consultant Team

- C-Team has in past years led development of budget with support from Council and OER
- OER led development of initial budget this year with Council discussion supporting final proposal

Discussions between Council leadership, the C-Team, Council's legal, and OER identified new approach for testimony sponsorship

Budget Testimony Topics Covered



Council process for developing its 2026 budget proposal

- Meetings, minutes, relevant presentations/documents

2025 budget, YTD spending, forecasted year-end spend, and variances

Increases/decreases and/or new items in budget proposal

Plan for reconciling differences between budget proposal and statutory maximum allocation



Council EE Plan Testimony & Topics

Process for Testimony Sponsorship



Two sets of testimony

- Consultant Team will lead overall development of core testimony on behalf of the Council
- Councilor Gill Case has volunteered to provide individual Councilor testimony

C-Team will work with Council leadership and legal representation to develop and file testimony that ensures:

- Topics of interest are comprehensively covered
- Each set of testimony is not overly redundant

Topics to Cover



Overall Review Process

- Plan review iterations, Council Priorities, responsiveness to feedback

Summary of Council Vote

- Statutory requirement for reasons it didn't endorse the Plan

Summary of Stakeholder comments received

Follow-ups on individual Councilor testimony provided last year

Council conditions that would garner endorsement of the EE Plan

Any specific rulings requested of the Commission

Council Vote Recap



Council unanimously voted to not endorse the 2026 EE Plan as proposed by the Company

Primary concern was around the decrease in savings goals and associated investment in energy efficiency compared to what was planned for in 2025

- Council indicated desire to keep savings at 2025 Plan levels

Other points of discussion:

- Support for Companies administrative efficiencies and encourage as much of that as possible without handicapping ability to hit savings goals
- Concern about scaling back one of the few tools that is consistently available to help customers deal with high energy prices and the signal that might send to the market
- Council concerns echoed by comments received by regional and national experts in energy efficiency and climate issues, as well as letters received from elected officials

Clarity on Council's Position Needed



Three items around Council's vote to not endorse would benefit from additional clarity

- All will be mentioned in testimony, but Council needs to determine whether any of these result in a specific request to the Commission for a ruling that is different than the Company's Plan

Electric Savings – 2025 savings goal level as is, **or** with adjustments:

- Accounting for reduction in claimable savings due to EM&V impacts
- New approach for Home Energy Savings that eliminates paper reports
- Other?

Gas Savings – 2025 savings goal level as is, **or** with adjustments:

- Accounting for measures and/or programs that lock-in continued use of natural gas (new construction, combusting equipment)
- New approach for Home Energy Savings that eliminates paper reports

Generic or specific statement around support for administrative efficiencies?

Additional Savings Analysis



Identified areas where 2026 Plan proposes lower activity than 2024 actuals

- Utilized gross annual savings to control for changes in measure impacts
- Accounted for codes and standards updates and Council priorities around decreasing support for new gas equipment

Utilized assumptions from 2026 Plan to estimate a minimum additional net lifetime savings

Estimated budget impact using 2026 Plan cost assumptions for both incentive and non-incentive costs

Identified additional savings in each sector, all of which are lower than the respective sectors planned cost-to-achieve

Electric Savings & Budget



Minimum additional net lifetime MWh savings identified account for ~63% of gap between the 2025 and 2026 Plans

Estimate that funding these additional savings would require an additional ~\$4.8 million

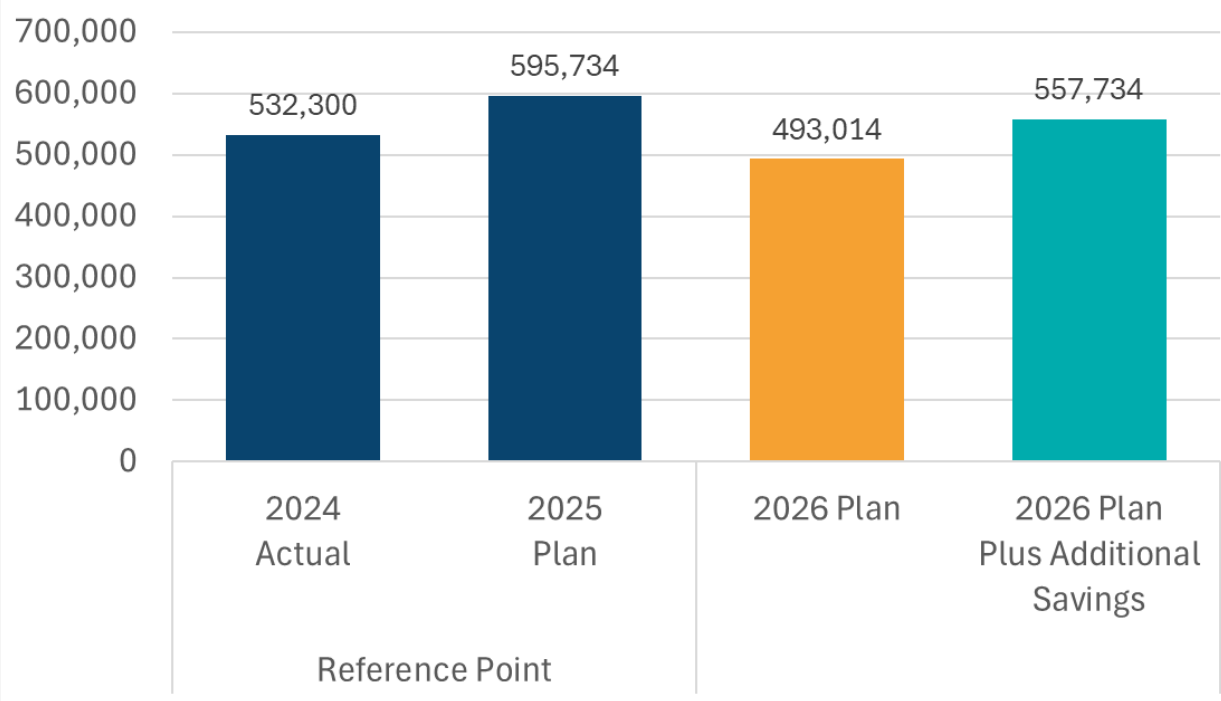
Electric Sector	2024 Actuals	2025 Planned Savings	2026 Planed Savings	Additional Savings Identified	2026 Plan + Additional Savings Identified	Additional Budget Required
Residential	148,504	175,090	180,645	7,147	187,792	\$573,221
Income Eligible	23,950	57,876	32,330	792	33,122	\$235,271
Commercial & Industrial	359,846	362,767	280,039	56,781	336,820	\$3,967,238
Total	532,300	595,734	493,014	64,720	557,734	\$4,775,730

Electric Savings & Budget

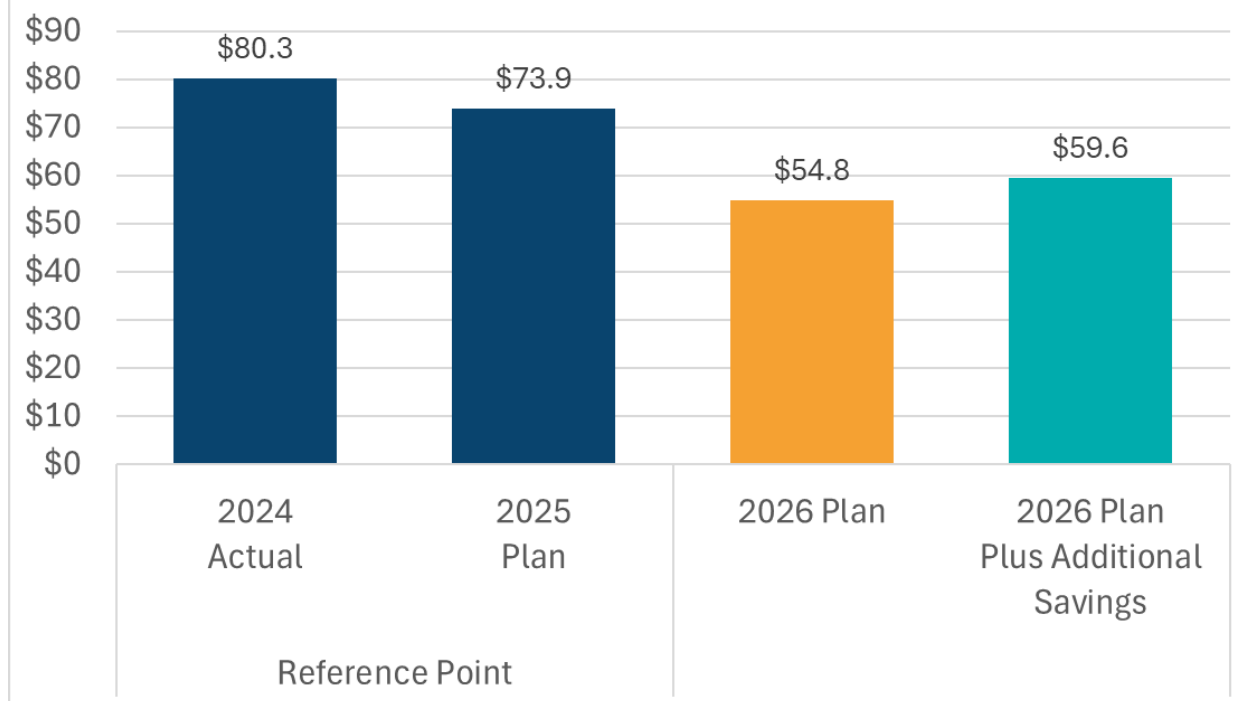


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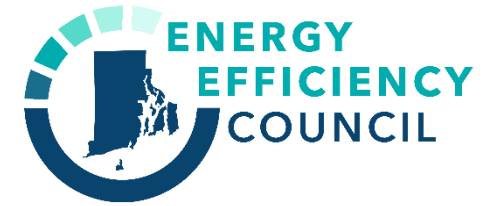
Electric Savings (Lifetime MWh)



Electric Implementation Budget (\$ Millions)



Impact on Electric Funding Requirement



Systems Benefit Charge (SBC) would be 0.06¢/kWh higher than filed plan, but still 0.25¢/kWh lower than 2025

Average monthly contribution* would be \$0.33 higher than filed plan, but \$1.26 lower than 2025

Reference Point	Electric SBC (¢/kWh)	Monthly Electric Contribution	Monthly Electric Contribution Compared to 2026 Proposed	Monthly Electric Contribution Compared to 2025 Plan
2024 Plan	1.14¢	\$5.70	\$2.76	\$1.18
2025 Plan	0.90¢	\$4.52	\$1.58	-
2026 Plan	0.59¢	\$2.94	-	-\$1.58
2026 Plan + Additional Savings Identified	0.65¢	\$3.26	\$0.33	-\$1.26

*Assumes average residential customer using 500kWh/month

Gas Savings & Budget



Minimum additional net lifetime MMBtu savings identified account for ~20% of gap between the 2025 and 2026 Plans

Estimate that funding these additional savings would require an additional ~\$1.6 million

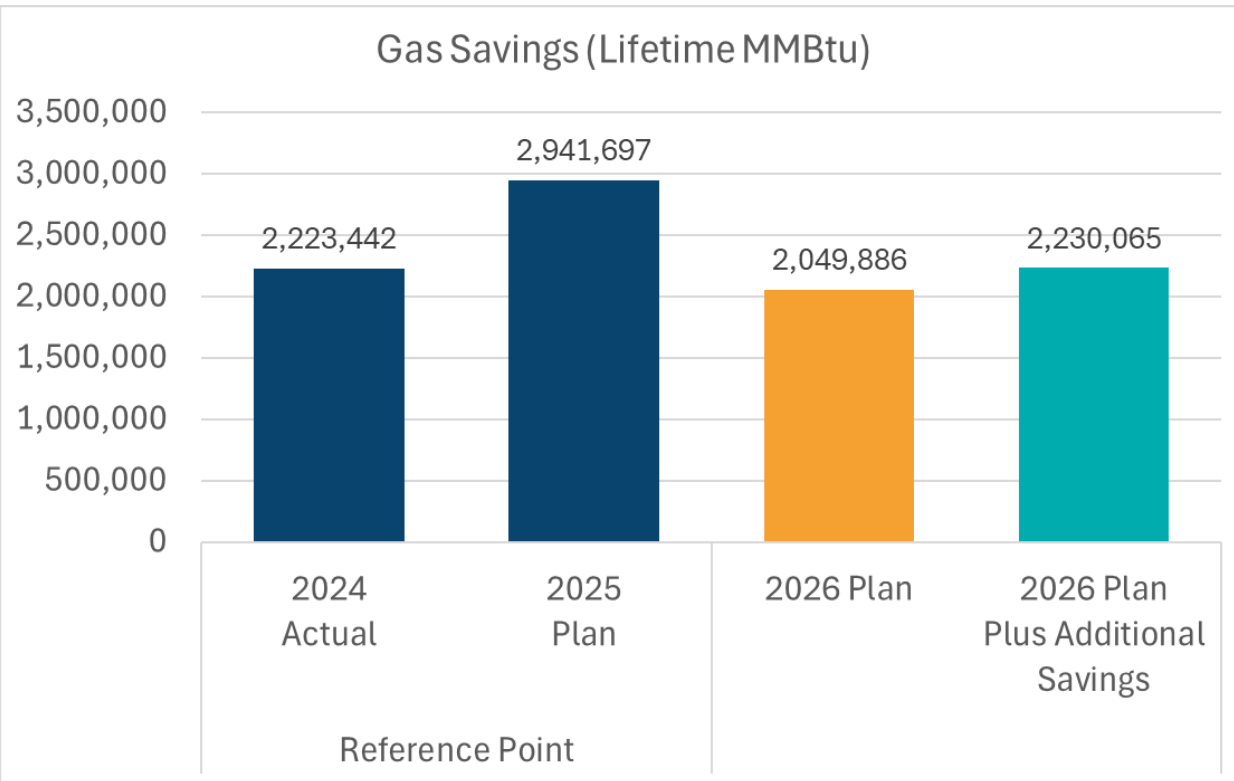
Electric Sector	2024 Actuals	2025 Planned Savings	2026 Planed Savings	Additional Savings Identified	2026 Plan + Additional Savings Identified	Additional Budget Required
Residential	1,207,153	1,244,913	1,241,381	338	1,241,719	\$1,653
Income Eligible	252,183	323,382	295,437	3,861	299,298	\$45,264
Commercial & Industrial	764,106	1,373,402	513,068	175,980	689,048	\$1,538,958
Total	2,223,442	2,941,697	2,049,886	180,179	2,230,065	\$1,585,875

Gas Savings & Budget

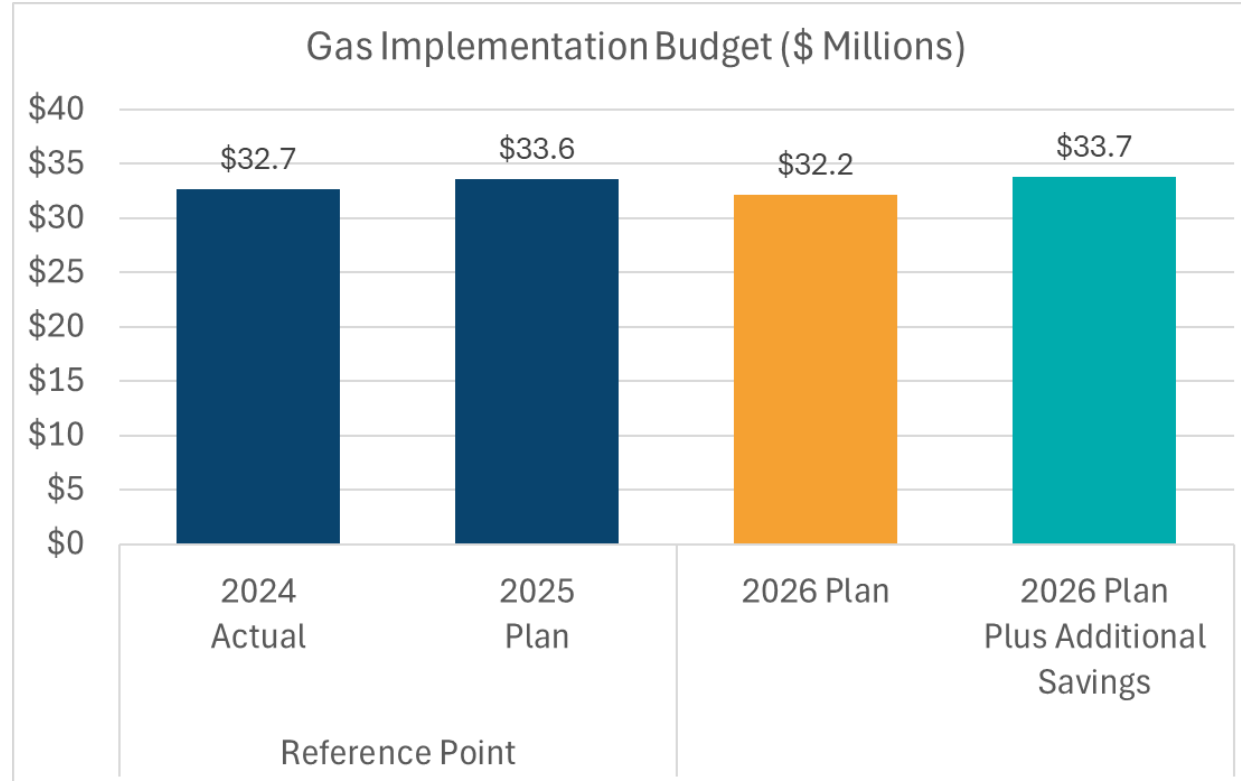


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Gas Savings (Lifetime MMBtu)



Gas Implementation Budget (\$ Millions)



Impact on Gas Funding Requirement



SBC would be 0.10¢/MMBtu higher than filed plan and 17¢/MMBtu higher than 2025 for Residential and Income Eligible customers

SBC would be 8.8¢/MMBtu higher than filed plan, but still 33¢/MMBtu lower than 2025 for Commercial & Industrial customers

Average monthly contribution* would be \$0.01 higher than filed plan and \$1.22 higher than 2025

Reference Point	Res & IE Gas SBC (\$/MMBtu)	C&I Gas SBC (\$/MMBtu)	Res & IE Monthly Electric Contribution	Monthly Electric Contribution Compared to 2026 Proposed	Monthly Electric Contribution Compared to 2025 Plan
2024 Plan	\$1.00	\$0.68	\$7.03	-\$2.28	-\$1.07
2025 Plan	\$1.15	\$0.53	\$8.10	-\$1.21	
2026 Plan	\$1.32	\$0.11	\$9.31		\$1.21
2026 Plan + Additional Savings Identified	\$1.32	\$0.20	\$9.32	\$0.01	\$1.22

*Assumes average residential customer using 845 therms/year



Nex Steps & Discussion

Next Steps



Consultant Team will draft pre-filed testimony

- Council involvement in Plan development and review leading up to its endorsement
- Reflects outcome of Council discussion on topics presented today

Consultant Team will work with Council leadership and legal team to submit pre-file testimony in accordance with the Docket procedural schedule

Consultant Team will issue, as appropriate or needed, data requests in the Docket

Council Discussion

