

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: THE NARRAGANSETT ELECTRIC : DOCKET NO.: 25-37-EE
COMPANY D/B/A RHODE ISLAND ENERGY'S :
2026 ANNUAL ENERGY EFFICIENCY PLAN :

OPEN MEETING DECISIONS

1. The Company is directed to transfer \$1.5 million from the C&I Electric Revolving Loan Fund identified in response to Record Request 12 to the 2026 electric portfolio fund balance in Table E-1C from the Company's December 5, 2025 filed corrections and updates.
2. Regarding the \$1.375 million from the C&I Gas Revolving Loan Fund identified in response to Record Request 12, the Company is authorized to transfer \$1.375 million from the C&I Gas Revolving Loan Fund to the 2026 gas portfolio C&I fund balance.
3. The EERMC's budget request of \$891,900 is approved.
4. The Company's proposed budgets and savings targets for the electric and natural gas portfolios as they appear in the Company's December 5, 2025 filed corrections and updates are approved.
5. The Company is directed to make a compliance filing consistent with Item III from the Company's compliance filing in Docket No. 25-28-GE for rates to be collected from electric ratepayers for the months of April through December 2026.
6. The Company is directed to implement the market and income-eligible residential gas rates as updated on December 5, but to file a compliant updated rate for C&I.
7. The Company is directed to exclude any PIM-eligible costs and benefits achieved from the Organic Rankine Cycle (ORC) Engine project referenced in the Company's response to Record Request 1 when calculating the achieved 2026 program year achievement. This means that if the Company does provide incentives for this project in 2026, those incentives and savings associated with the project are excluded from the PIM calculation.
8. The Company is directed that "Notification of Large Customer Incentive" requirements in Section 8.2.7 of the Plan shall be required of all incentive offers of \$1 million or greater per measure.
9. The Performance Incentive Mechanism design is adjusted such that Threshold 1 for low achievement is from 0% to 35% of planned net benefits and the adjustment rate is 0. The Company receives no cash incentive for performance in that band.

Payout rate threshold 2 is equal to or greater than 35% to less than 60% and the payout rate is the actual percentage achieved. For example, for 50% achievement of planned net benefits, the Company gets 50% of 7%, or 3.5 cents for every dollar, not 7 cents.

Threshold 3 is equal to or greater than 60% and less than 85%, and it will be the actual achievement plus 10%. So, 65% achievement gets the Company 75% of 7%, which is 5.25 cents for every dollar, not 7 cents.

Then, the final threshold for high achievement is equal to or greater than 85%. At that point, the Company gets the full 7%, or 7 cents for every dollar in net benefits achieved.

10. The Company is authorized to implement the programs described in the 2026 Plan, subject to the revisions made through other Motions.