



Rhode Island Energy™
a PPL company

2025 Preliminary Year-End Program Results – Commercial & Industrial Sector

Consultant Team & Rhode Island Energy Presentation

Date: April 16, 2026

Outline



Overview & Key Takeaways

Electric Sector Results

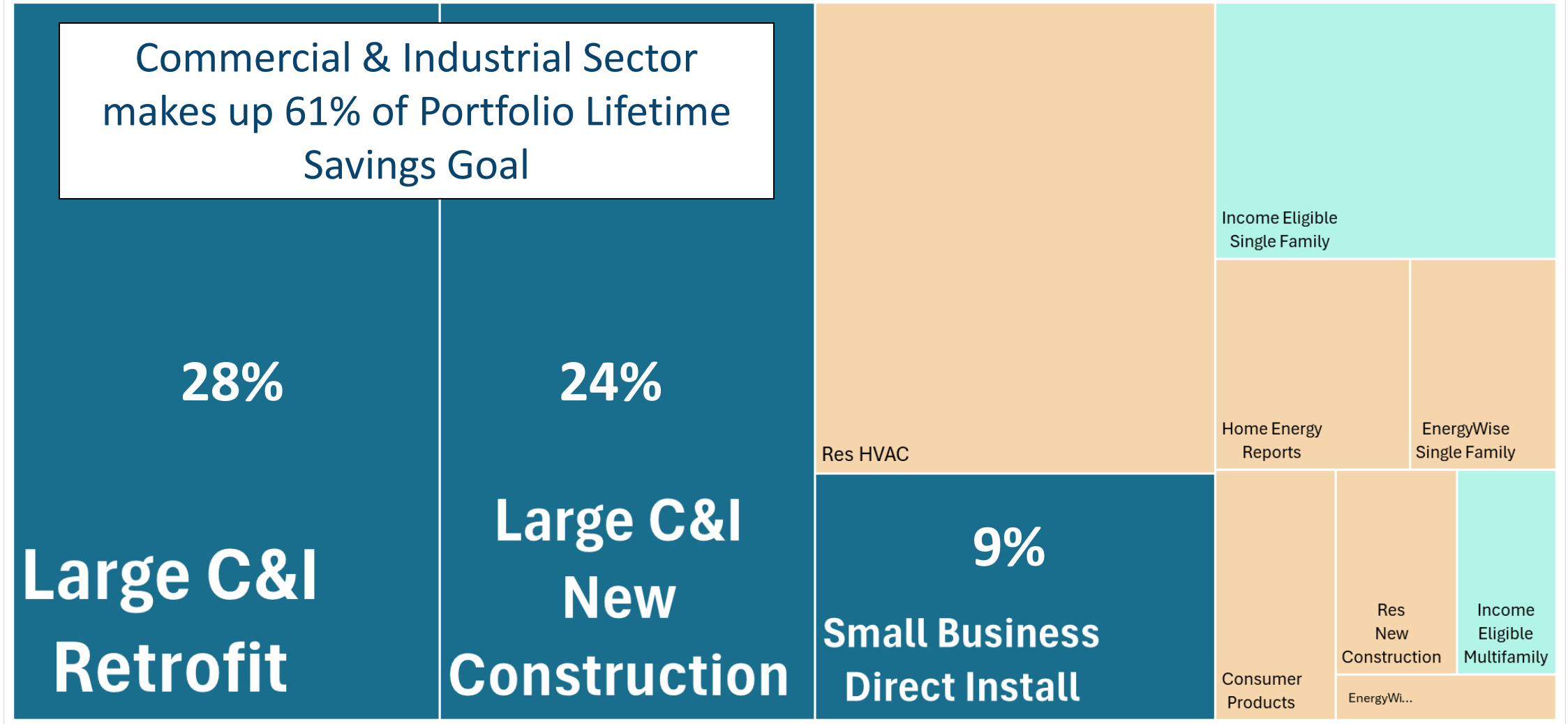
Gas Sector Results

Qualitative Updates

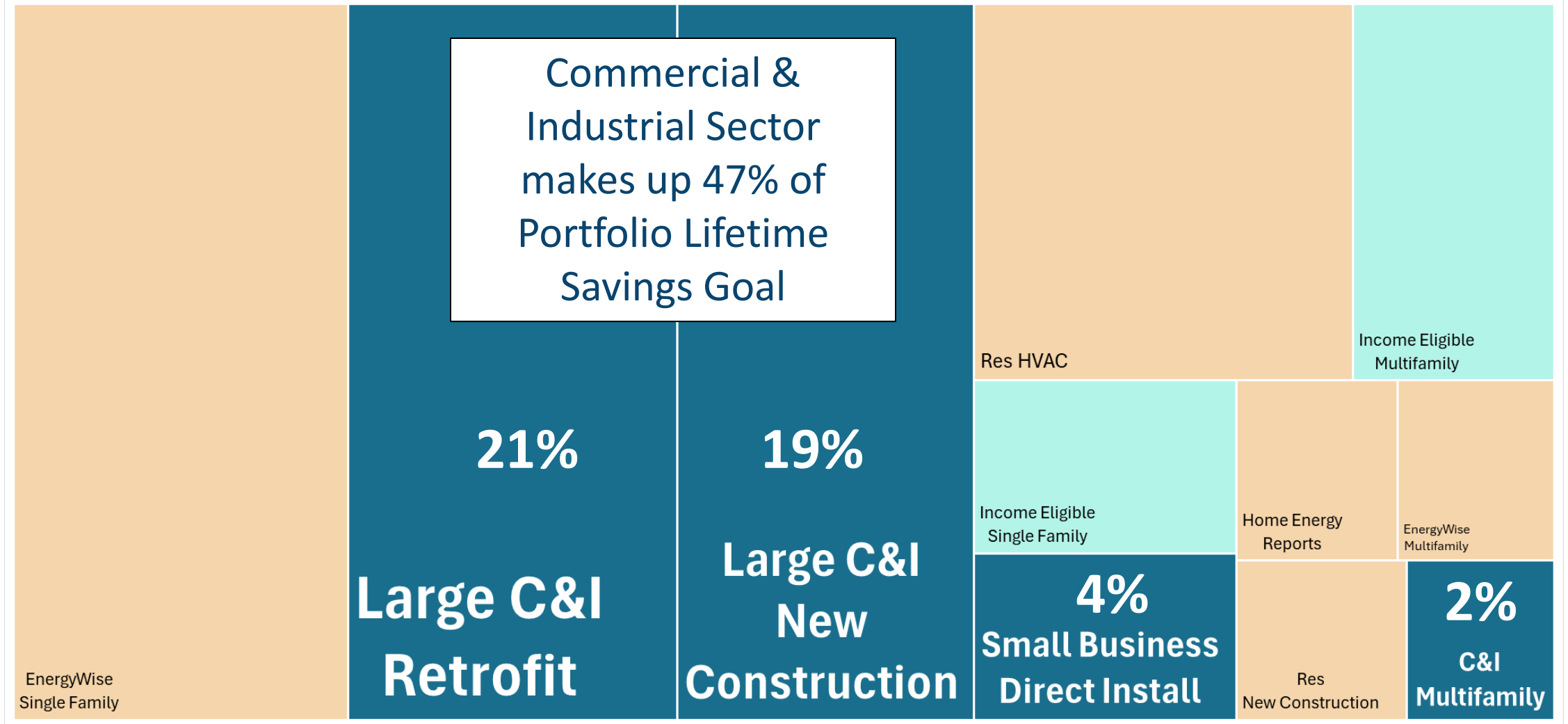


Overview & Key Takeaways

Electric Program Portfolio



Gas Program Portfolio



Commercial & Industrial Sector makes up 47% of Portfolio Lifetime Savings Goal

Key Takeaways



- 1** 2025 Electric C&I Results: **92% of Planned Lifetime Electric Savings, 91% of Planned Electric Implementation Budget Spent**
- 2** Significant electric savings from Prescriptive lighting measures (LEDs) that will produce notably less savings moving forward due to the Mercury Ban.
- 3** 2025 Gas C&I Results: **84% of Planned Lifetime Gas Savings, 108% of Planned Gas Implementation Budget Spent**
- 4** Lifetime Gas Savings cost 28% more than the 2025 Plan but 29% lower than 2024 actuals
- 5** **Key Savings Opportunities: Existing Building Commissioning, advanced lighting controls, LED-to-LED Retrofits, Energy Recovery Ventilation, Duct Sealing and Insulation**



Electric Sector Results

Electric C&I Performance



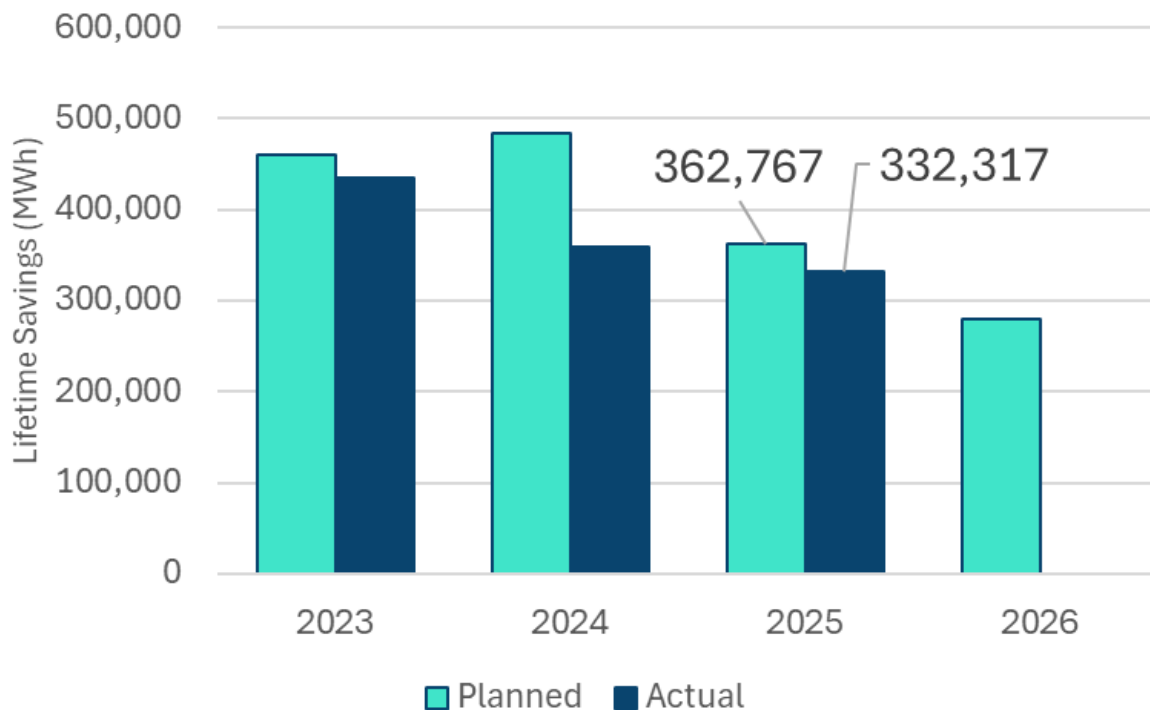
Key Takeaways

Savings Goal Achieved: 92%; Budget Spent: 91%

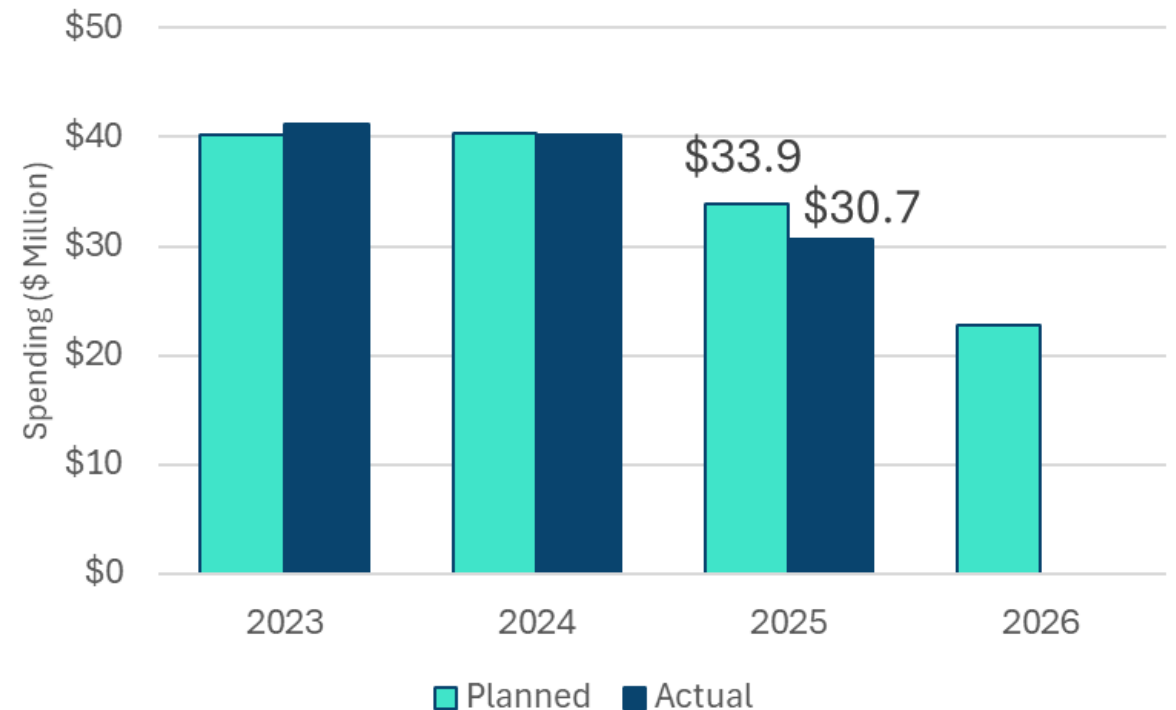
Share of Planned Portfolio Savings

61%

C&I Electric Lifetime Savings (MWh)



C&I Electric Spending (\$ Million)



Electric C&I Cost-to-Achieve

Share of Planned Portfolio Spending **43%**

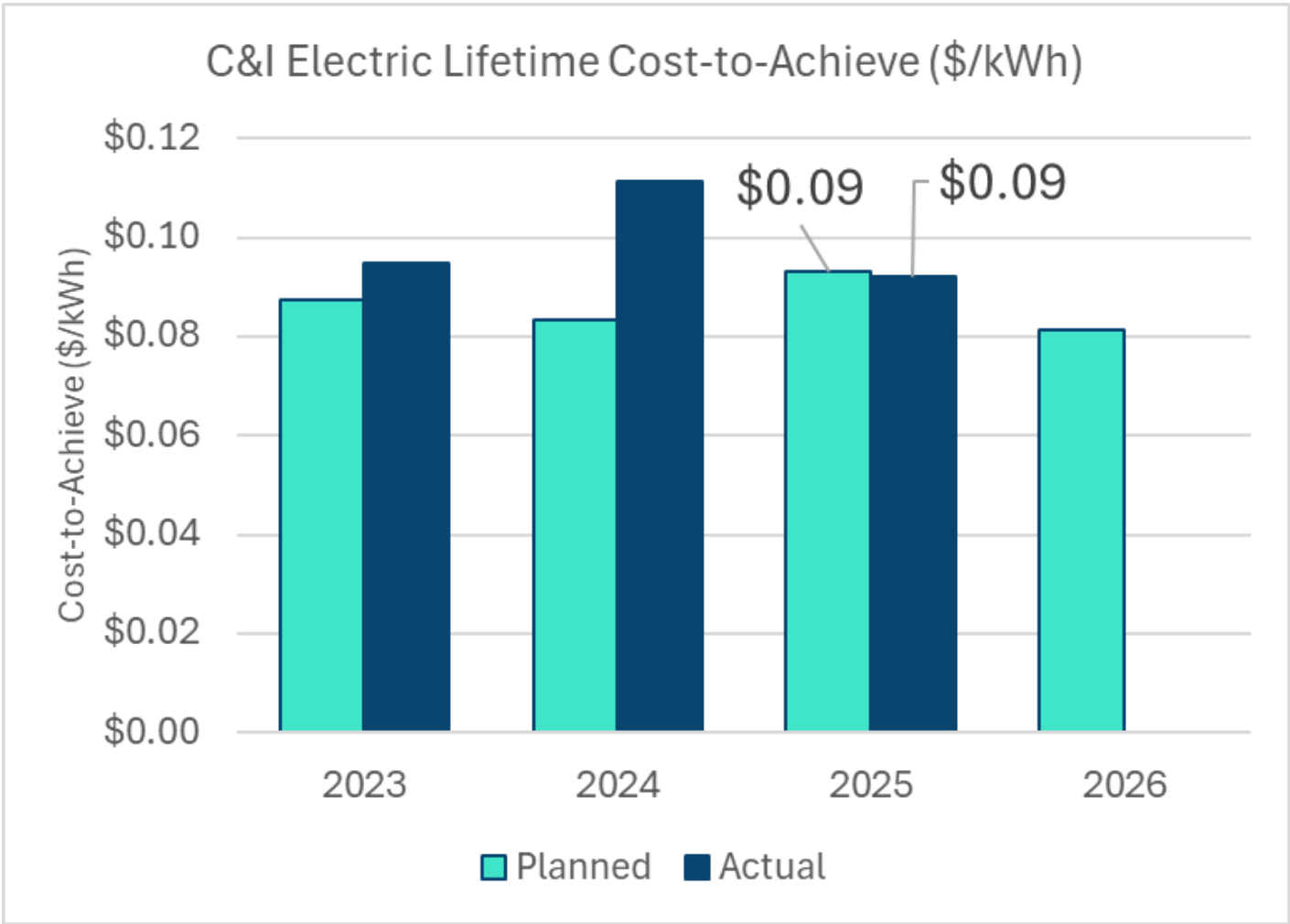


Sector: C&I sector cost-to-achieve tracked in line with what was planned

Large C&I Retrofit:
23% lower than plan

Large C&I New Construction:
43% higher than plan

Small Business Direct Install:
19% higher than plan

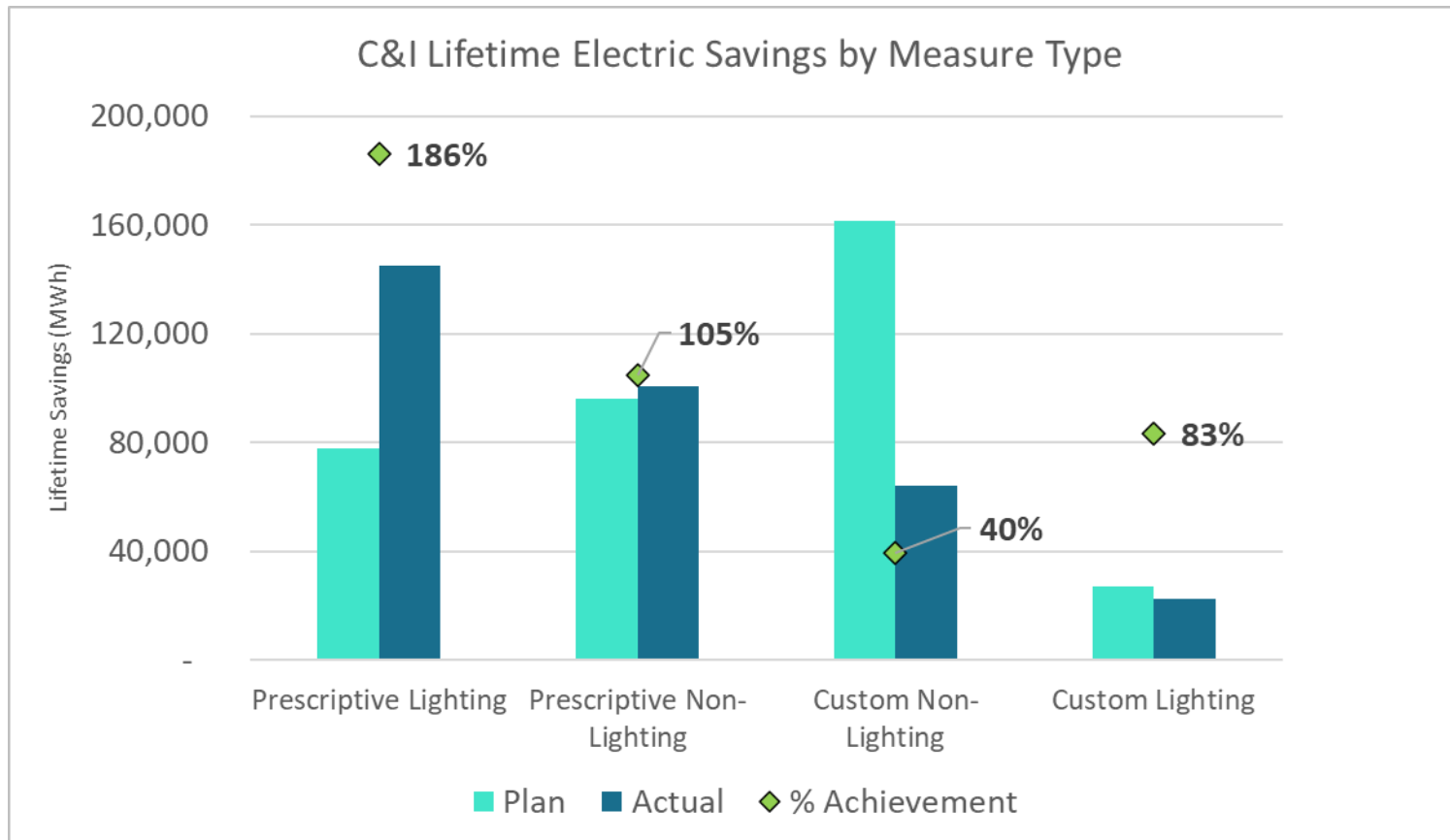


Electric C&I Performance by Measure Type

Prescriptive Lighting responsible for bulk of electric savings; largest savings shortfall for Custom Non-Lighting measures

Share of Planned Portfolio Savings

61%



Prescriptive: deemed savings calculations and pre-determined incentives; typically, one-for-one replacements

Custom: more complex measures requiring site-specific analysis and engineering calculations to quantify impacts (e.g., energy savings) and resulting incentives

Top Electric Measure Categories



Baseline updates due to the Mercury Ban will **eliminate significant savings from LED measures**, which accounted for half of 2025 production

Share of Planned Portfolio Savings

61%

Measure Category	2025 Actual Lifetime Savings (MWh)	Percent of 2025 Actual Savings
Interior LEDs - w/Controls, Upstream	82,067	25%
Interior LEDs	54,196	16%
Energy Management Systems	30,194	9%
Custom Process	16,832	5%
HVAC Fans	14,761	4%
Custom HVAC	12,394	4%
VRF Heat Pumps	12,260	4%
VSD Compressors	11,977	4%
Interior Lighting Controls	10,698	3%
Custom Motors & Drives - HVAC	9,577	3%



Gas Sector Results

Gas C&I Performance



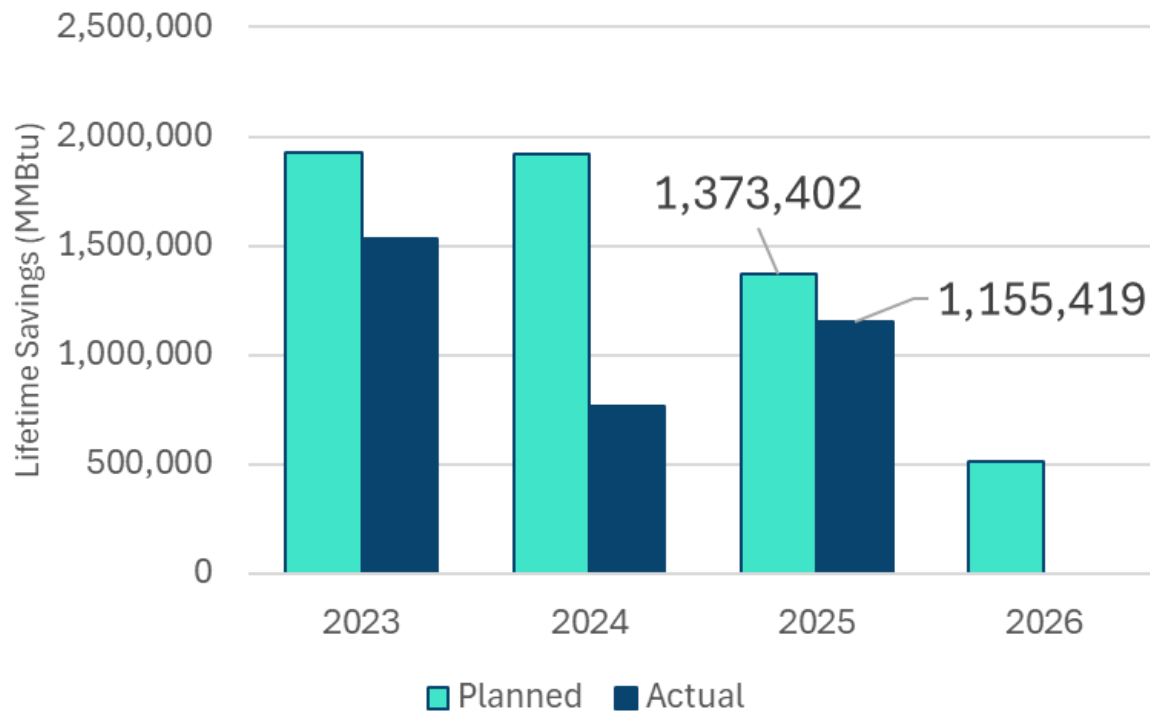
Key Takeaways

Savings Goal Achieved: 84%; Budget Spent : 108%

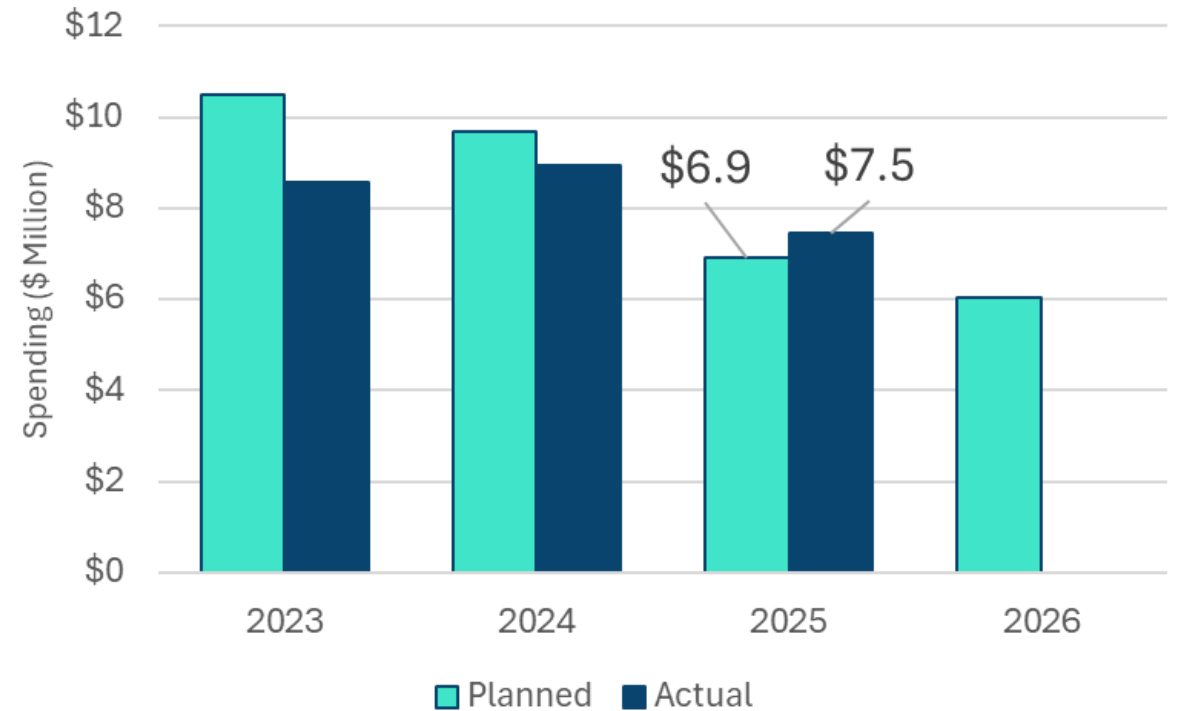
Share of Planned Portfolio Savings

47%

C&I Gas Lifetime Savings (MMBtu)



C&I Gas Spending (\$ Million)



Gas C&I Cost-to-Achieve

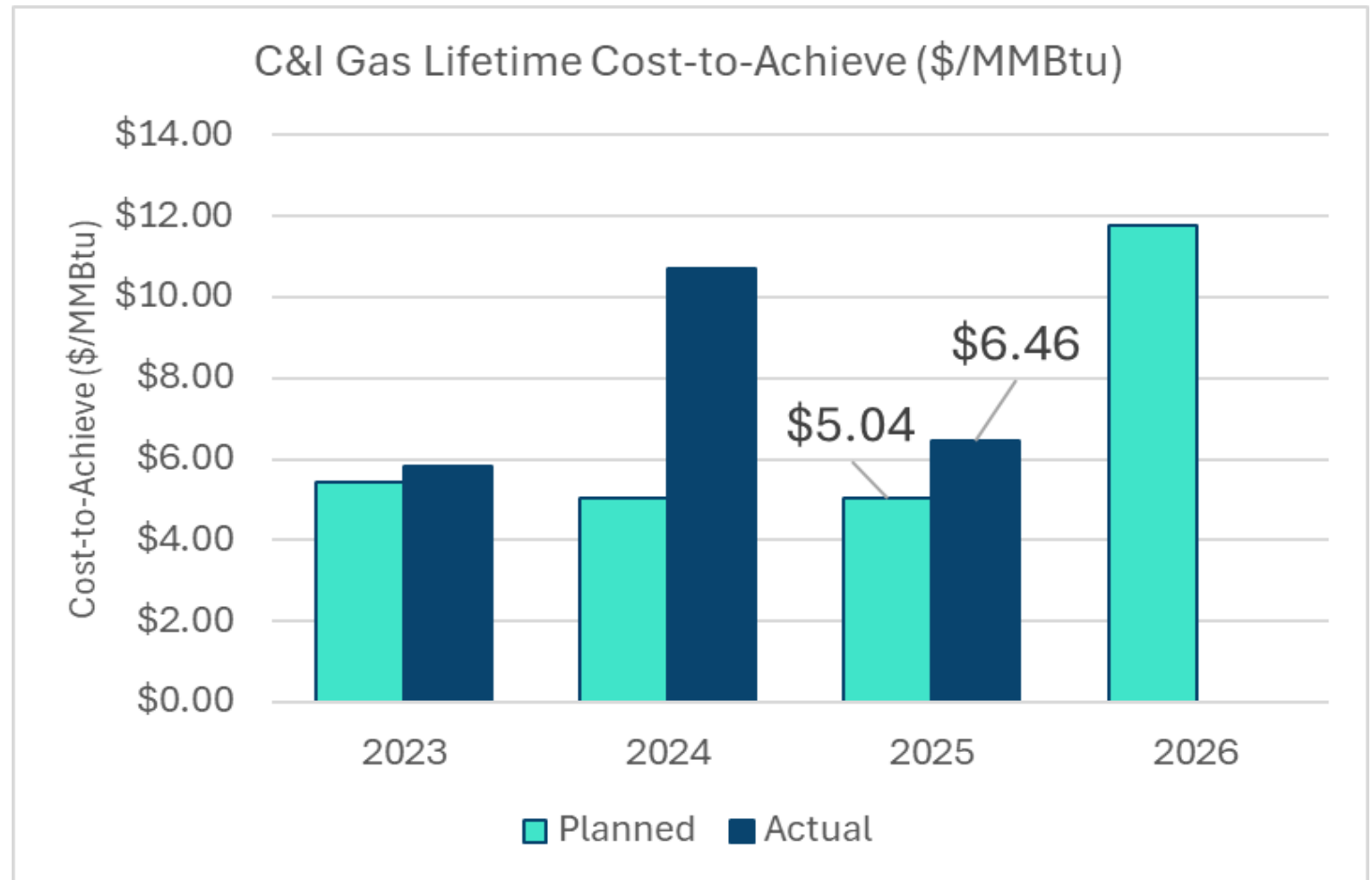
Share of Planned
Portfolio Savings

47%



2025 actual gas cost-to-achieve is 28% higher than planned, but 40-50% of 2024 actual and 2026 plan

Low savings achievement in 2024 which informed calibration of 2026 Plan, in addition to other changes like code updates.



Gas C&I Cost-to-Achieve

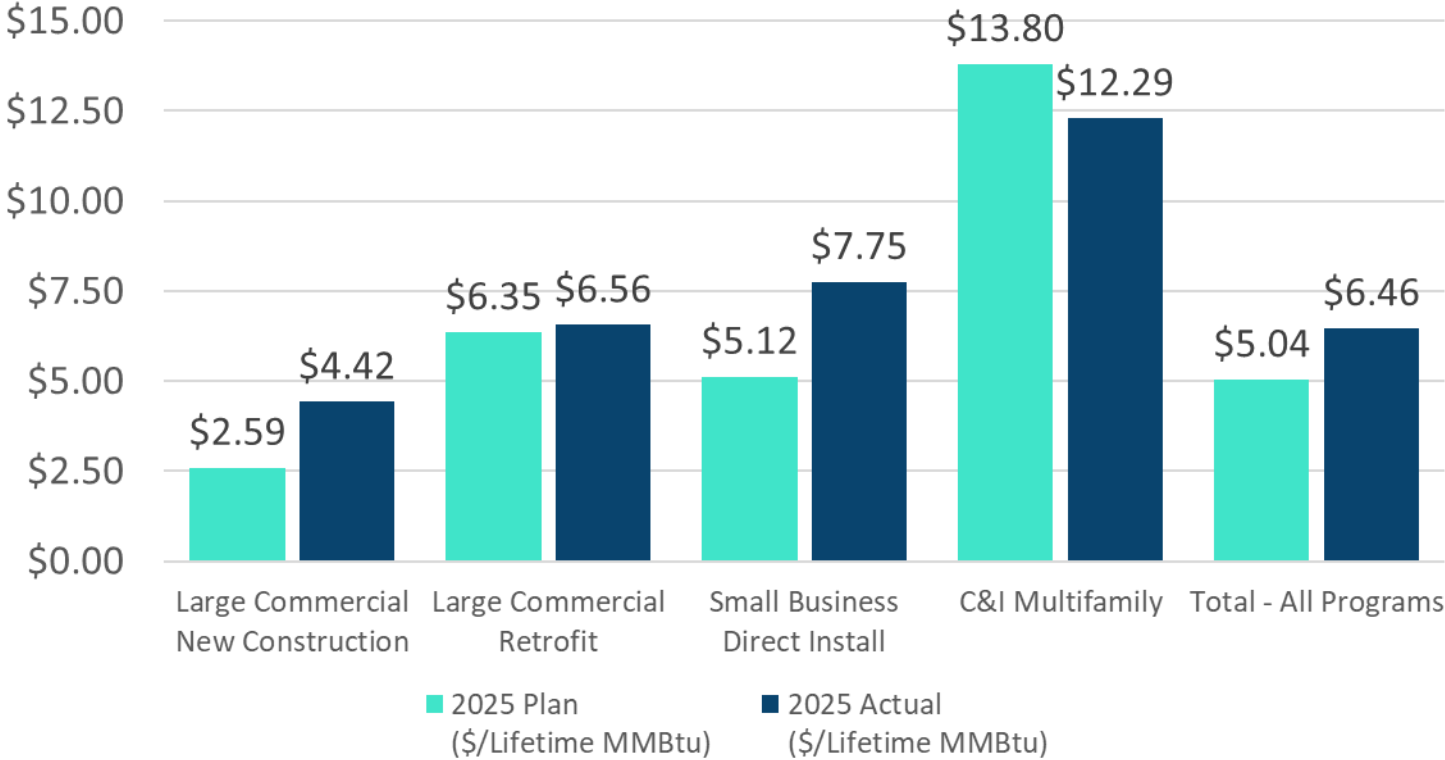
Share of Planned Portfolio Savings **47%**



New Construction (19% of planned portfolio savings) and **Small Business** (4% of planned portfolio savings) achieved lower savings relative to spending

C&I Multifamily (2% of planned portfolio savings) exceeded planned savings at lower cost-to-achieve

Gas Cost to Achieve - Plan vs. Actual (\$/Lifetime MMBtu)

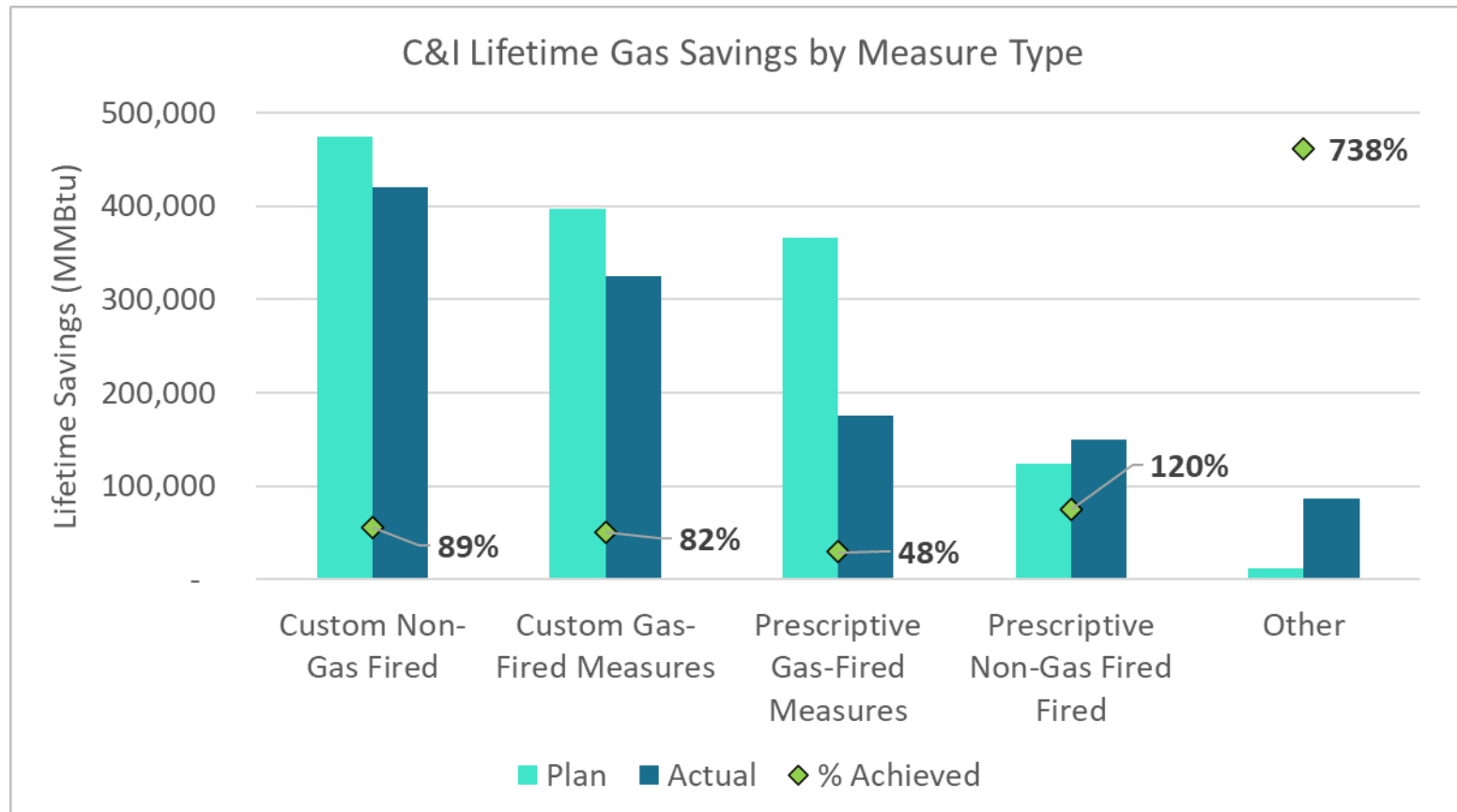


Gas C&I Performance by Measure Type

Non-Gas Fired Measures (e.g., HVAC Controls, Insulation) outperformed gas-fired measures (95% vs. 65% achievement of planned lifetime savings)

Share of Planned Portfolio Savings

47%



Top Gas Measure Categories



Non-gas fired measures were responsible for most of the gas savings in 2025

Share of Planned Portfolio Savings

47%

Measure Category	2025 Actual Lifetime Savings (MMBtu)	Percent of 2025 Actual Savings
Custom – Other (<i>largely HVAC Insulation</i>)	186,170	16%
Steam Traps	160,106	14%
Custom - HVAC	138,217	12%
Energy/Heat Recovery Ventilation	124,369	11%
HVAC Controls	111,204	10%
Water Heaters	89,107	8%
Comprehensive Design	78,990	7%
Envelope - Insulation	51,380	4%
Spray Valves/Nozzles	38,472	3%
Envelope - Building Shell	37,902	3%



Qualitative Updates

C&I Savings Opportunities

Custom Measures

- Require Custom process improvements and more direct customer engagement by RIE account managers
- These measures accounted for the largest decrease in C&I savings from the 2025 to 2026 Plan

Existing Building Commissioning (EBCx)

- EBCx: process for assessing, optimizing, and verifying performance of building systems to meet current facility requirements
- Core RIE offering for this has not driven significant participation; requires comprehensive offering driven by RIE and supported by service providers
- Robust utility-led EBCx offering can produce median annual energy savings of 5.5%
- Low-cost tuning and Virtual Commissioning for smaller customers; comprehensive Retro-Commissioning, Monitoring-based Commissioning, and Strategic Energy Management for larger customers

C&I Savings Opportunities

Advanced Lighting Controls

- Performance Lighting Offering rolled into other lighting offerings to simplify participation and encourage adoption of more advanced lighting controls

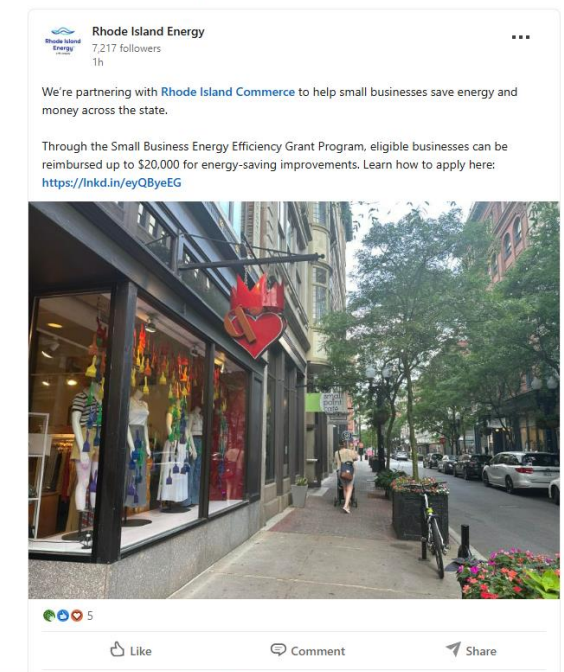
Other Opportunities (ongoing C&I Opportunities Study identified over 15 key measures)

- Energy/Heat Recovery Ventilation
- Envelope/Insulation
- New midstream measures, expanded eligibility for Variable-Frequency Drives

RI Energy Updates

- Staffing: Filled Account Manager, Technical Representative and Project Expeditor Program Manager positions
- Systems: 2025 reflects greater visibility into projects from 2024 tracking system migration
- Program Delivery:
 - Small Business Program partnering with RI Commerce
 - Transition from agency marketing tactics
 - C&I Opportunity Study
 - Vendor and trade ally engagement
 - Building Analytics Program delivering savings
 - 2026 New Construction Pipeline

Rhode Island Energy's Post



Council Member Discussion



Do any of the preliminary 2025 results raise concerns for the Council?

Do the preliminary 2025 results and other qualitative updates affect your perspective on upcoming Plan development? If so, how?

What additional background details or data analysis might help inform your input on C&I program design and implementation?



Appendix

Definitions



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- **Mercury Ban:** beginning in 2025, the state of RI banned the sale of any products containing mercury notably fluorescent interior lighting products, meaning that only LEDs are available for purchase, with or without program intervention.
- **Existing Building Commissioning (EBCx):** process for assessing, optimizing, and verifying performance of building systems to meet current facility requirements

Definitions



Rhode Island Energy™
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- **Advanced Lighting Controls:** Luminaire Level Lighting Controls and Networked Lighting Controls that allow for granular control of lighting fixtures
- **Energy Recovery Ventilation:** ventilation system that pre-treats outdoor supply air using energy from return air to reduce energy required to condition the air, thus reducing energy needed for heating/cooling and ventilation

Electric C&I Quarterly Performance



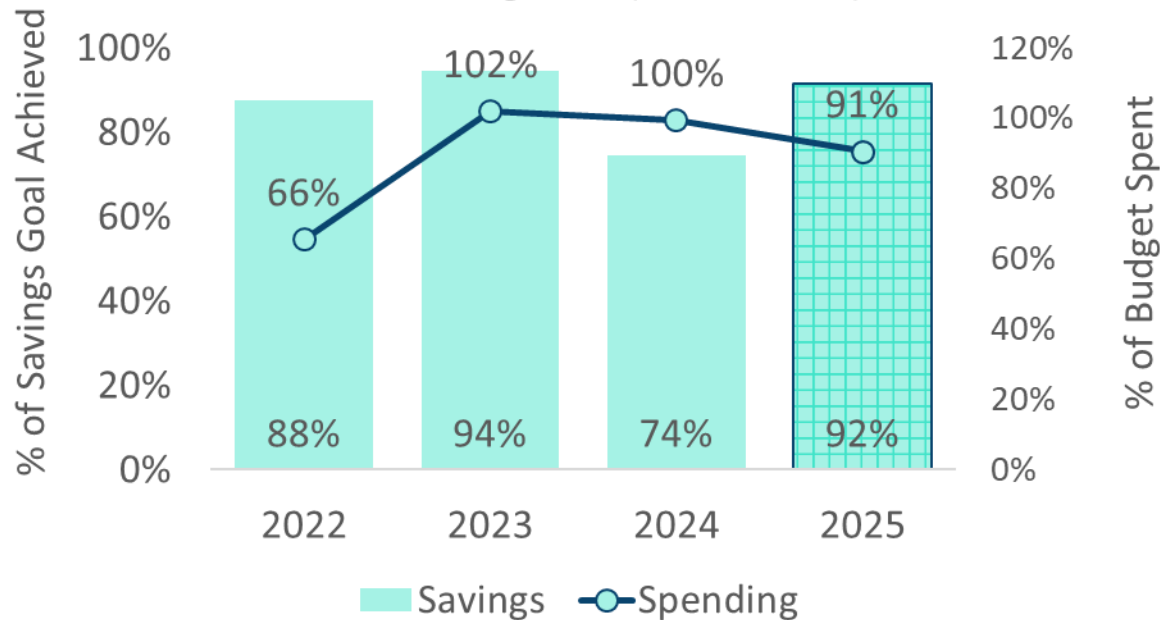
Key Takeaways

2025 savings achievement is on par with past years, while spending achievement is slightly lower; 2025 performance to goal by quarter is on track with recent years.

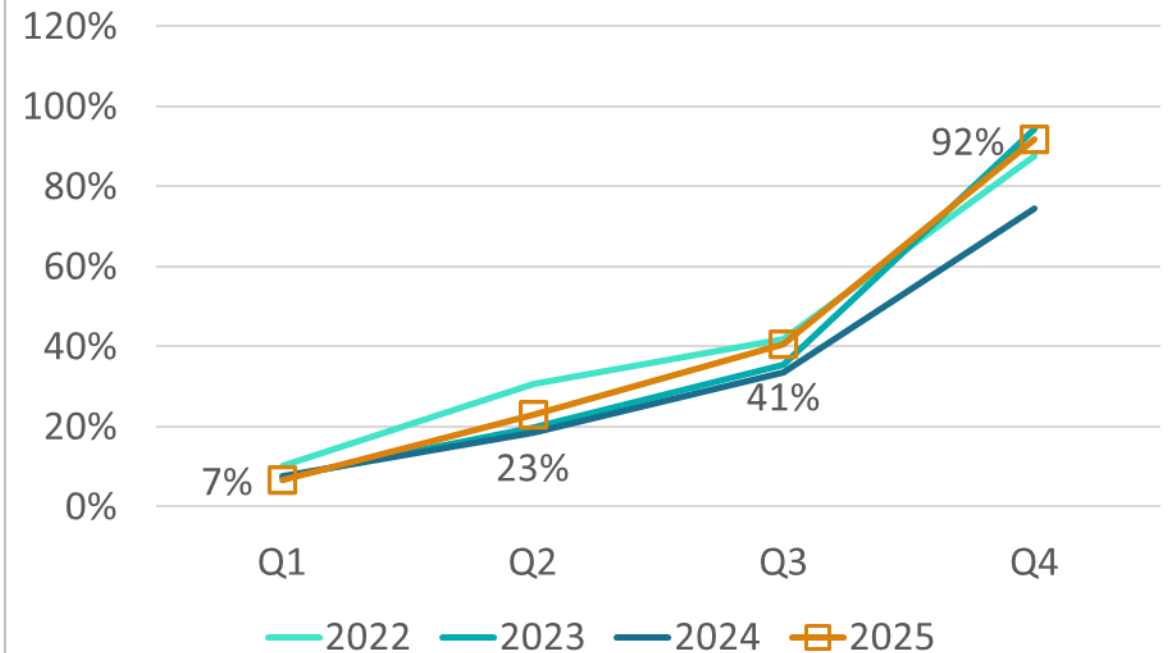
Share of Planned Portfolio Savings

61%

Commercial & Industrial Sector Total - Lifetime Electric Savings and Spending Performance to Goal Through Q4 (2022-2025)



C&I Lifetime Electric Savings Performance to Goal by Quarter (2022-2025)



Gas C&I Quarterly Performance



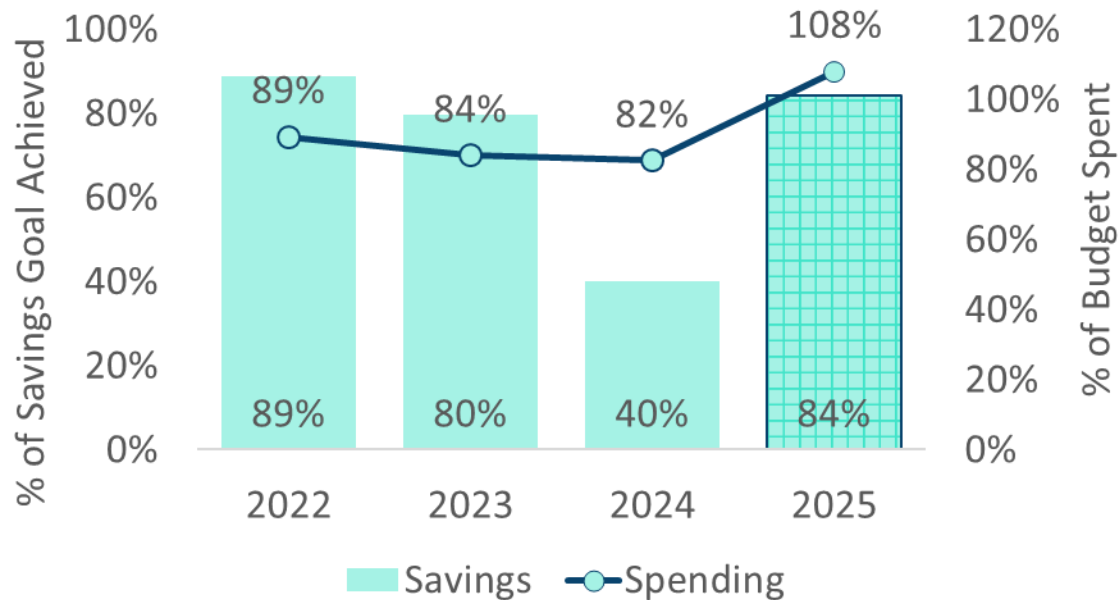
Key Takeaways

2025 savings achievement is double that of 2024 but on par with 2022 and 2023, and spending achievement is higher than recent years; 2025 performance to goal by quarter is higher than 2024 but on track with 2022 and 2023.

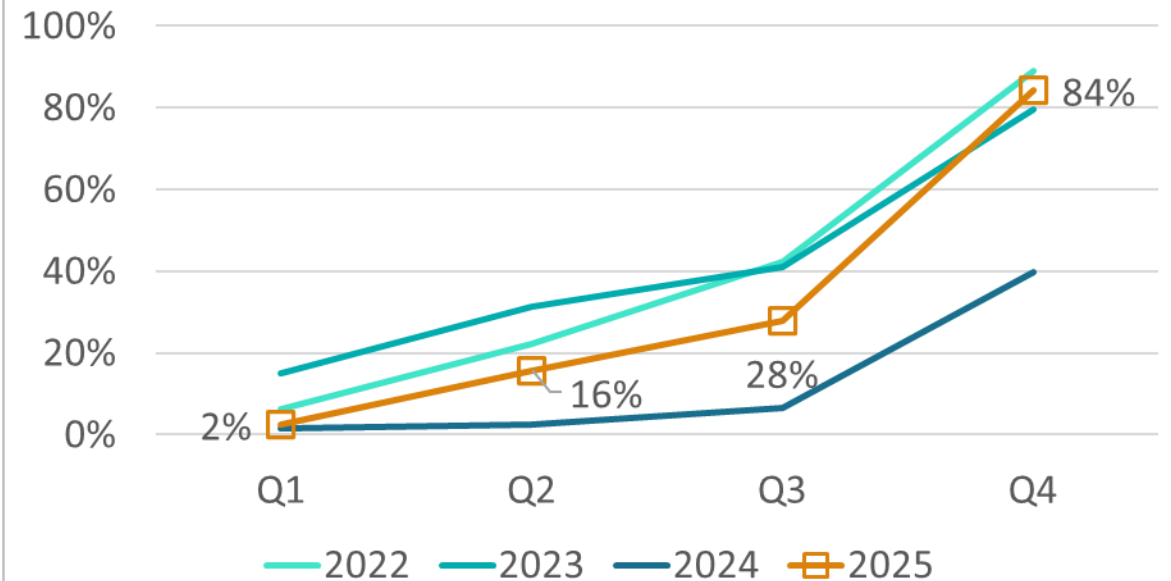
Share of Planned Portfolio Savings

47%

Commercial & Industrial Sector Total - Lifetime Gas Savings and Spending Performance to Goal Through Q4 (2022-2025)



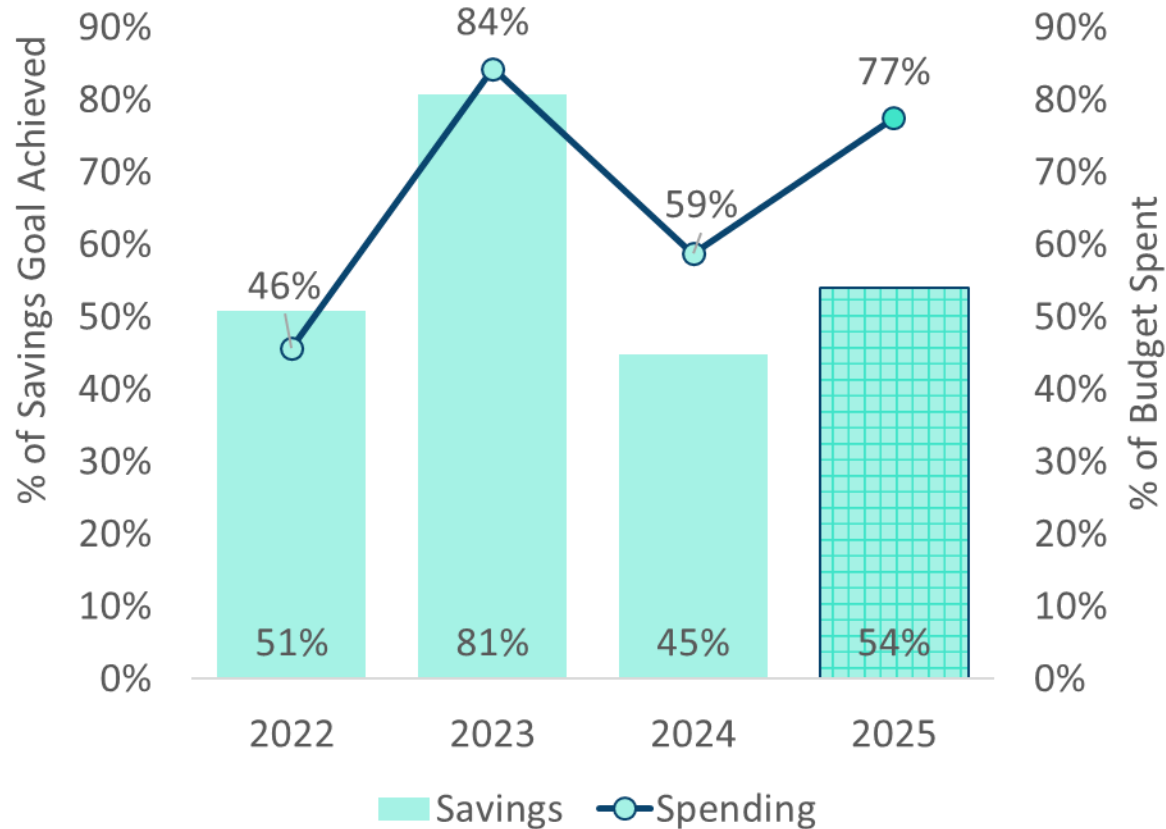
C&I Lifetime Gas Savings Performance to Goal by Quarter (2022-2025)



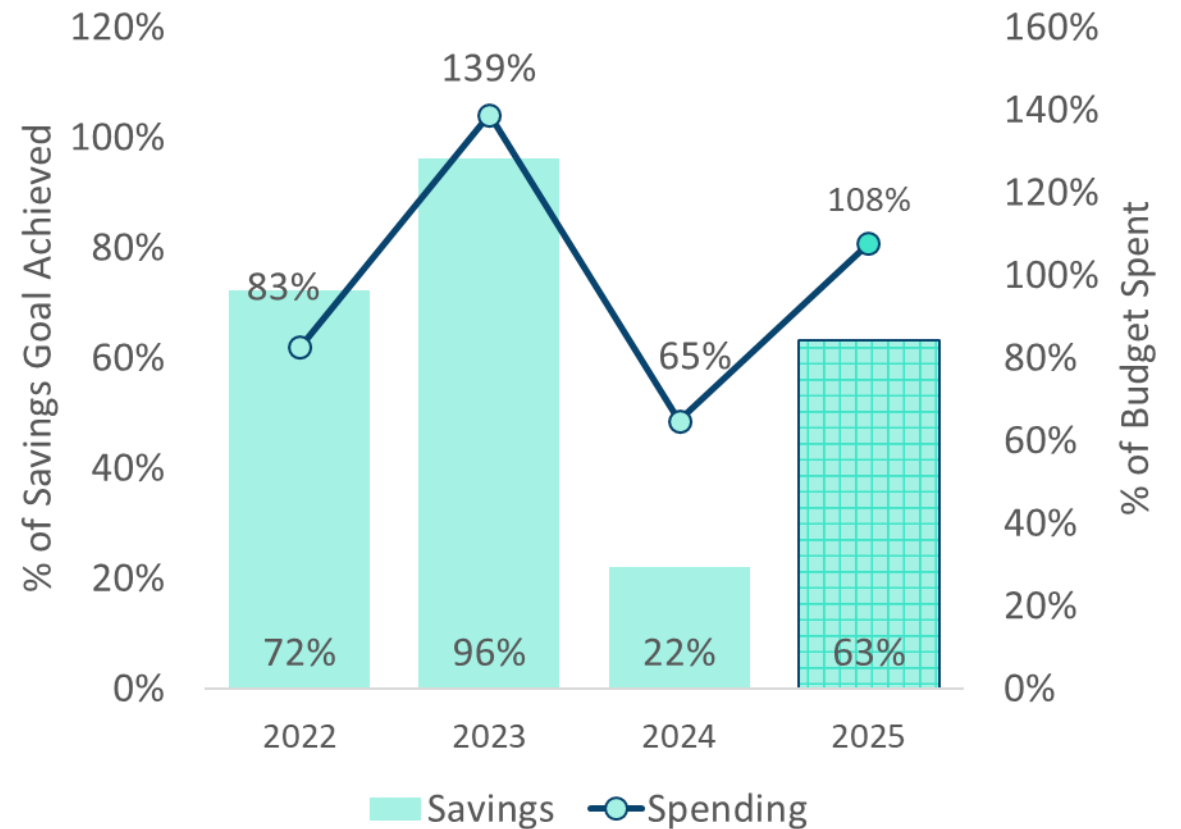
C&I New Construction



Large Commercial New Construction - Lifetime Electric Savings and Spending Performance to Goal Through Q4(2022-2025)



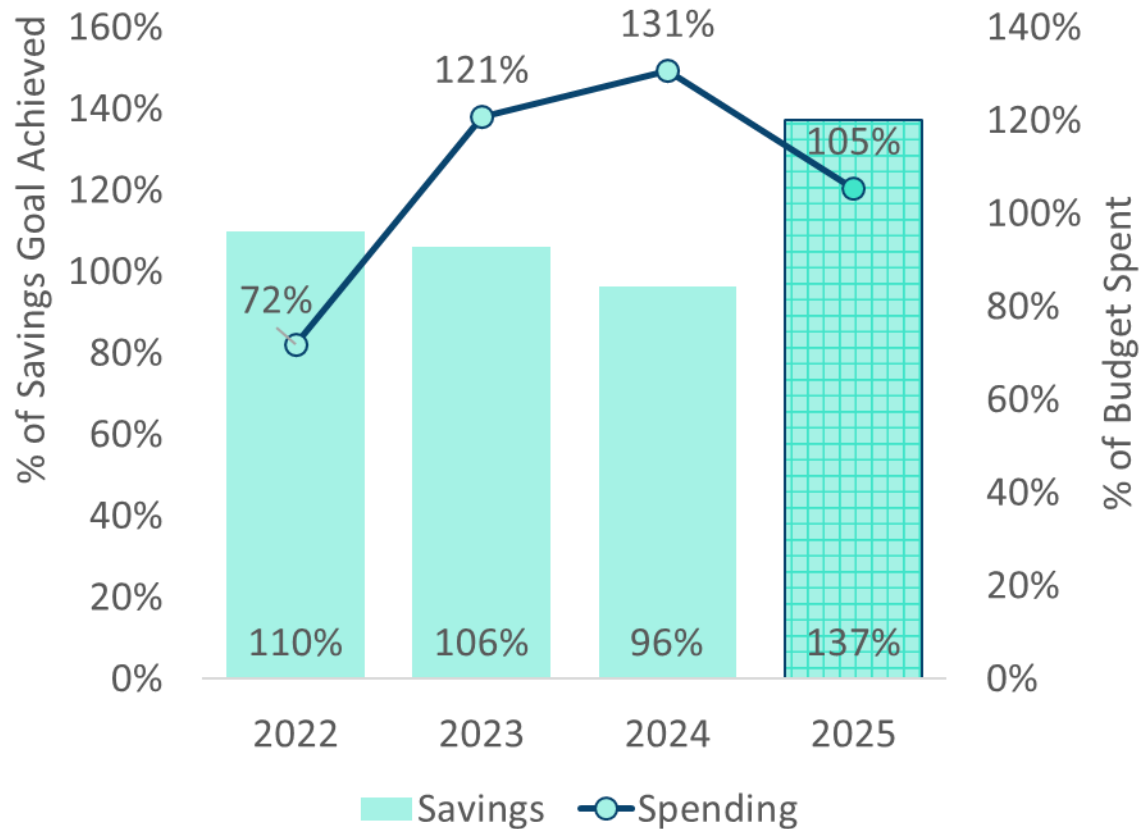
Large Commercial New Construction - Lifetime Gas Savings and Spending Performance to Goal Through Q4 (2022-2025)



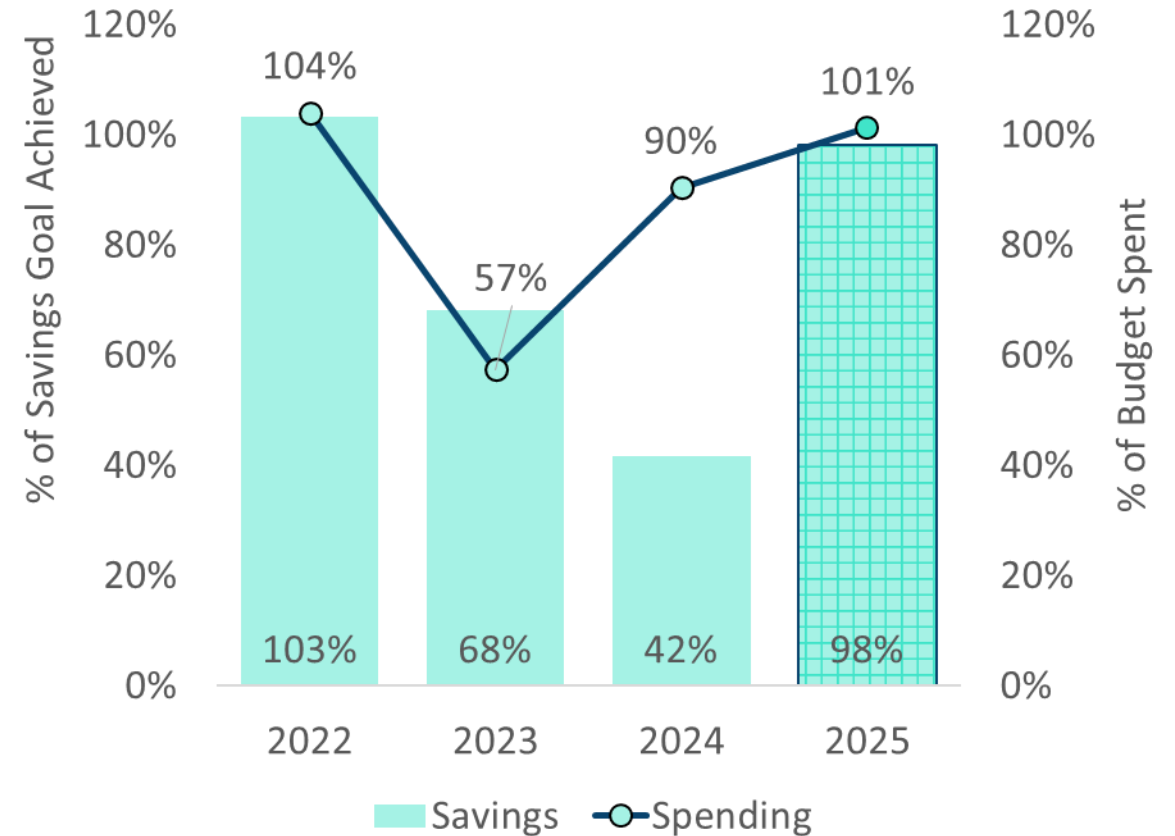
C&I Retrofit



Large Commercial Retrofit - Lifetime Electric Savings and Spending Performance to Goal Through Q4 (2022-2025)



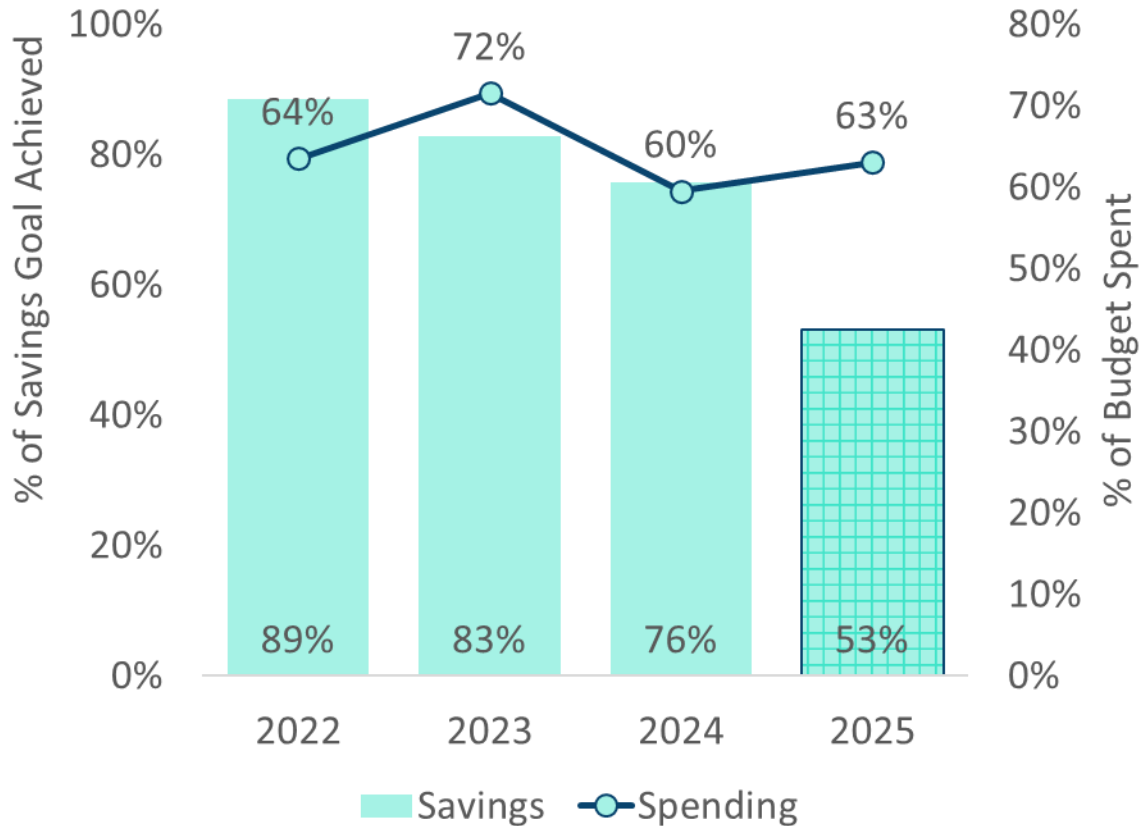
Large Commercial Retrofit - Lifetime Gas Savings and Spending Performance to Goal Through Q4 (2022-2025)



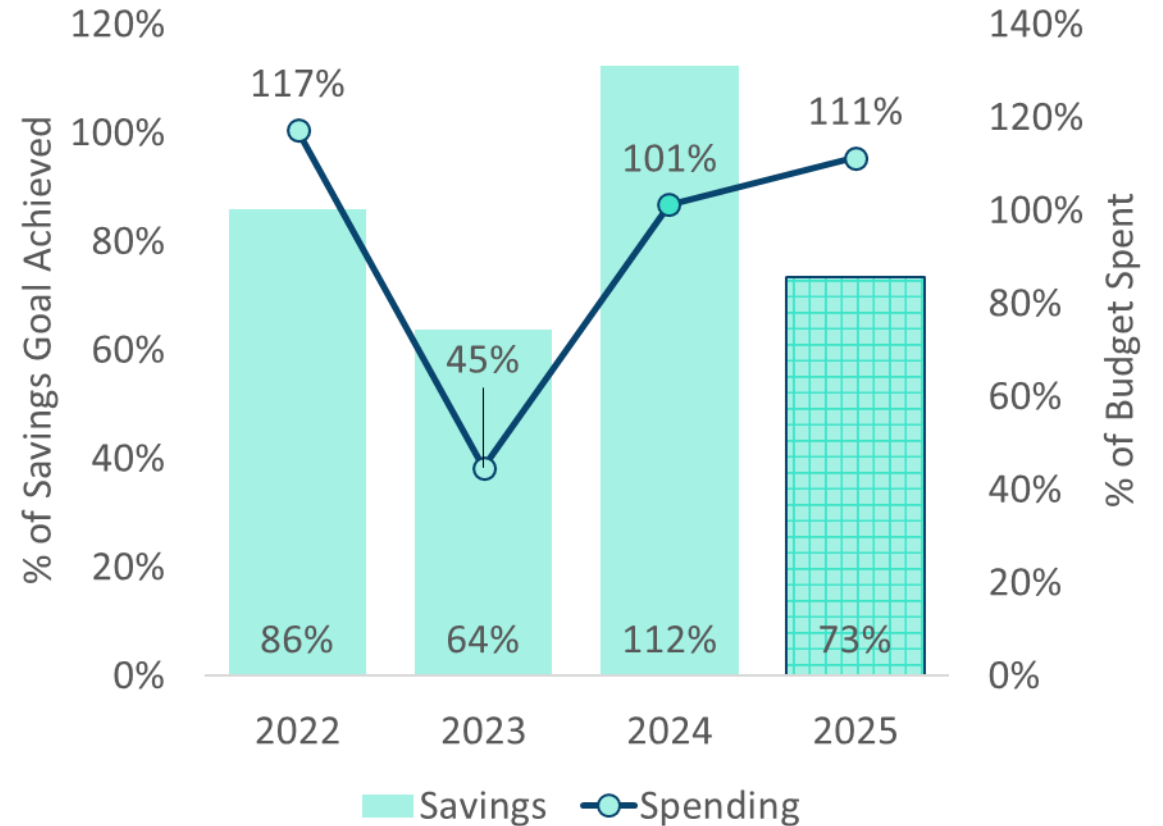
C&I Small Business Direct Install



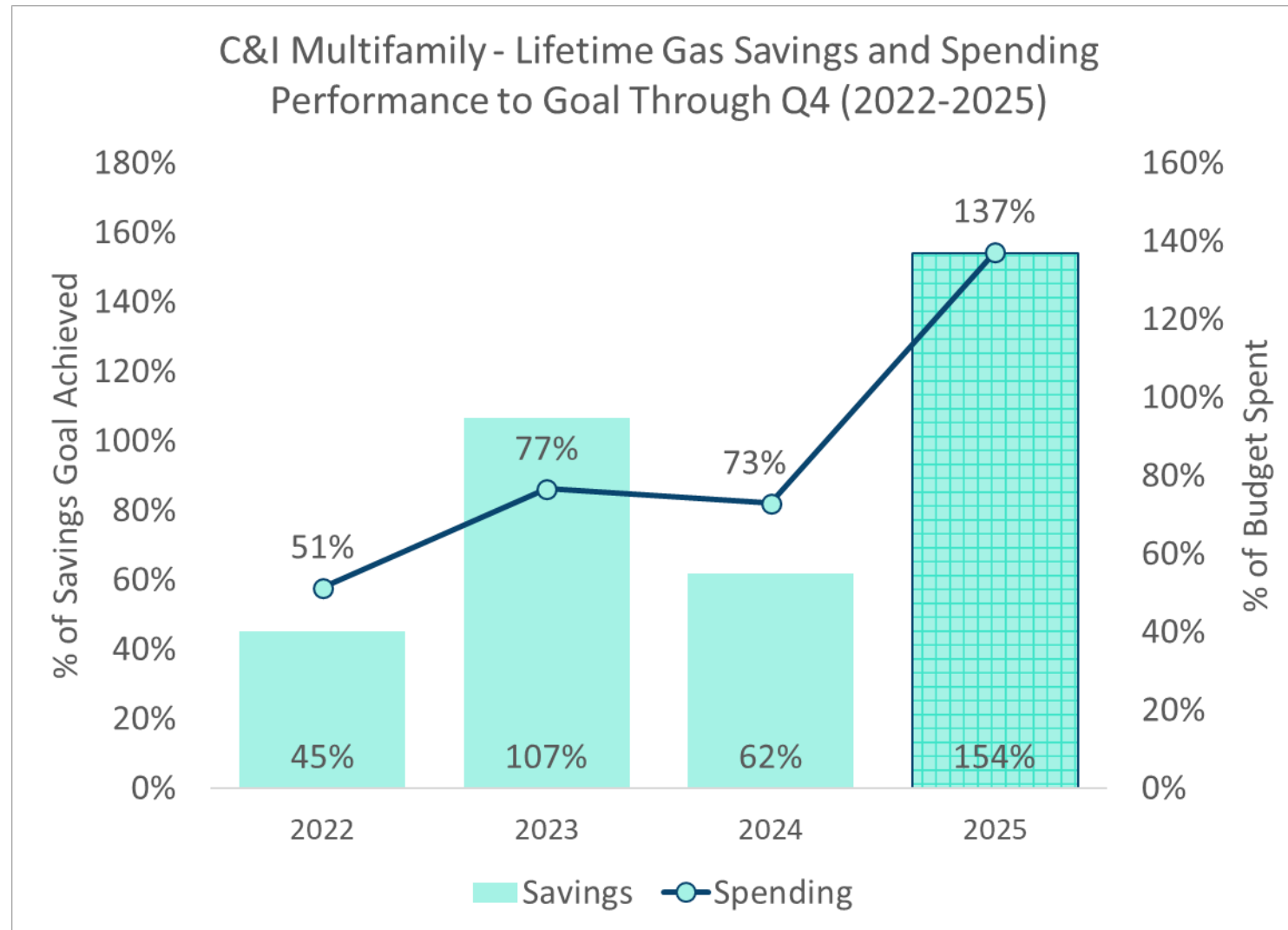
Small Business Direct Install - Lifetime Electric Savings and Spending Performance to Goal Through Q4 (2022-2025)



Small Business Direct Install - Lifetime Gas Savings and Spending Performance to Goal Through Q4 (2022-2025)



C&I Multifamily



C&I Opportunities Study

- Measures identified for further investigation based on applicability across C&I market segments, lifetime savings, measure life, prevalence in other Technical Reference Manuals
 - Heat Recovery Ventilation
 - Duct Sealing and Insulation
 - High-Volume Low-Speed Fan
 - Air Source Heat Pumps
 - Heat Pump Rooftop Units
 - Heat Pump Water Heaters
 - Advanced Rooftop Controls
 - Notched and Synchronous Belts
 - Compressed Air Heat Recovery
 - Efficient Desiccant Compressed Air Dryer
 - Comprehensive Compressed Air System Optimization
 - Tankless Water Heaters
 - Energy Star and CEE Tier 2 Room Air Conditioners
 - “Old Gen” LED to “New Gen” LED Replacements
 - Permanent Magnet Synchronous Motor
 - Night Covers for Open Refrigerated Display Cases
 - Refrigerated Case Doors – Meat/Produce Add-on Focus

Existing Building Commissioning (EBCx) – Existing Offerings



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- Current EBCx offerings have not driven desired levels of participation (10-15 active Strategic Energy Management Partnerships at any given time)
- The existing offerings are currently driven by EBCx service providers; utility program administrators are more effective at encouraging participation
- Target medium-large customers with EBCx offerings, building off learnings from SEMP and MBCx

Existing Building Commissioning (EBCx) – C&I Participant Potential



- Target medium to large customers with EBCx services

C&I Customer Demographic Data (2022)			
Custom Consumption Bin	Facilities in Consumption Bin	2022 Electric Consumption (kWh)	Share of Electric Consumption (%)
Less than 50,000 kWh	50,341	441,743,525	10.7%
50,000 to 100,000 kWh	3,803	266,034,405	6.4%
100,000 to 150,000 kWh	1,450	178,474,092	4.3%
150,000 to 200,000 kWh	810	139,578,508	3.4%
200,000 to 250,000 kWh	480	107,402,771	2.6%
250,000 to 500,000 kWh	1,185	407,666,808	9.9%
500,000 to 1M kWh	631	440,706,828	10.7%
1M to 1.5M kWh	251	305,335,162	7.4%
Greater than 1.5M kWh	384	1,840,129,180	44.6%

Existing Building Commissioning (EBCx) Opportunities



- Lawrence Berkeley National Lab (LBNL) Study on EBCx found median annual energy savings of 5.5% for utility-led programs
- Applying this savings estimate to the RI demographic

Potential Savings Estimate from Comprehensive EBCx Offering	
Annual Medium-Large Participants	49
Average Annual Electric Consumption (per Account)	3,378,684
Annual Savings Assumption	5.5%
Lifetime Savings Estimate (Two-Year Measure Life)	18,307
2026 Plan C&I Lifetime Savings	279,853
Planned Savings Increase from EBCx	6.5%

Prescriptive LED-to-LED Opportunities

- Mercury Ban has effectively raised baselines for lighting upgrades to LEDs
 - Little to no claimable savings from lamp upgrades after this year
- “Old Gen” to “New Gen” LED Upgrades
 - Already implemented through Custom pathway
 - There is no uniform federal/state standard for lighting efficiency
 - Require establishment of reasonable “Old Gen” LED baseline and inputs to create a Prescriptive offering

Prescriptive LED-to-LED Opportunities

- Methodology for measure characterization:
 - Create baselines for retrofit and replace-on-failure
 - Retrofit baseline: assumed lighting efficacy based on install year of “old” LED
 - Replace-on-failure/Midstream baseline: counterfactual (i.e., without program intervention) lighting product purchase
- New baselines require designing lighting offerings consistent with Design Lights Consortium’s latest technical requirements for LEDs (v6.0)