MEMO

CONSULTANT TEAM

TO: Energy Efficiency Council
FROM: EEC Consultant Team
CC: Office of Energy Resources
DATE: May 28, 2026
RE: Draft 2027-2029 EE & SRP Plan Priorities

1. INTRODUCTION

The Energy Efficiency Council[1] (EEC or "the Council") establishes these priorities pursuant to its statutory responsibilities under Rhode Island General Laws § 42-140.1, which charge the Council with developing, overseeing, and guiding energy efficiency programs and ensuring that such programs are implemented in accordance with the State's Least Cost Procurement (LCP) framework.

Under the LCP law, energy efficiency and other demand-side resources must be procured on a least-cost basis, taking into account both short-term and long-term benefits, including system, customer, and societal impacts. The Council's role is therefore not only advisory, but essential to ensuring that energy efficiency and system reliability investments are planned and implemented in a manner that delivers maximum value to Rhode Island ratepayers.

The 2027-2029 planning cycle represents a fundamental transition for Rhode Island. For the first time, the Energy Efficiency Plan ("EE Plan") will be developed as a binding three-year plan, rather than a guiding plan supported by binding annual plans. This shift materially increases the importance of:

- Upfront specificity in program design and investment decisions
- Clear alignment between strategy implementation, and outcomes
- Robust mechanisms for accountability and adaptation over the plan period.

In prior planning cycles, the Council's priorities were developed to guide Plan development within a more iterative, annual planning framework. In this cycle, the Council's intent is to provide more explicit and actionable direction, consistent with the requirements of a binding three-year plan that can be directly implemented by Rhode Island Energy (RIE or "the Company") teams responsible for development of the EE Plan and the System Reliability Procurement Plan ("SRP Plan"), including active demand response investment proposals.

The Council recognizes that this document represents a more detailed and comprehensive set of priorities than has been provided in prior planning cycles. This reflects both the transition to a binding three-year plan and the Council's intent to establish clear and actionable expectations at the outset of the planning process. While some elements described herein may reflect practices already in place, they

[1] All materials associated with the Energy Efficiency Council are the work of the "Energy Efficiency and Resource Management Council" and any public meeting materials posted on the RI Secretary of State website should be searched using that title.

are included to ensure a consistent and transparent articulation of expectations across all components of the Plan.

The Council's priorities are organized to:

- Establish a clear three-year vision for the EE and SRP Plans
- Define core strategic principles that should guide planning decisions
- Set detailed expectations for portfolio-level analysis, program design, and cross-cutting strategies
- Promote full integration of energy efficiency, demand response, and system planning

The Council recognizes that the energy landscape, regulatory environment, and program performance may evolve over the course of the 2027–2029 Plan period. Accordingly, the Council reserves the ability to refine or supplement these priorities as needed, including through annual implementation updates or other proceedings. This flexibility is particularly important in years two and three of the Plan, where emerging data, policy developments, or system needs may warrant adjustments to the Council's priorities.

THREE-YEAR VISION FOR EE AND SRP PLANS

By the end of the 2027-2029 Plan period, the Council envisions a system in which customers can seamlessly move from understanding their energy use and costs to accessing and participating in programs that deliver clear, measurable, and sustained benefits.

This vision reflects both customer experience and system-level outcomes. At a minimum, it includes:

- A clear and intuitive pathway from customer bill awareness to program participation
- The use of data and analytics, including Advanced Metering Infrastructure (AMI), to provide targeted and timely program offerings
- Coordination across energy efficiency and demand response programs such that customers experience a cohesive portfolio of offerings
- Transparent communication of program value, including bill impacts, savings, and broader benefits

At the system level, this vision also reflects the expectation that energy efficiency and demand response will function as core resources, contributing to:

- Managing load growth and peak demand
- Avoiding or deferring infrastructure investments
- Reducing long-term system costs
- Supporting achievement of the State's climate mandates

2. CORE STRATEGIC PRINCIPLES

DATA-DRIVEN DECISION MAKING IN SUPPORT OF AMBITION

The Council strongly supports the use of data and analysis to inform planning decisions and strengthen the overall effectiveness of the energy efficiency and demand-side portfolio. Data and recent program experience provide important insights into market conditions, program performance, and opportunities for improvement.

At the same time, the Council expects that data will be used to inform and enhance program ambition, rather than to unduly constrain it. Energy efficiency programs are intended to pursue all cost-effective savings, and the use of data should reflect both historical performance and forward-looking opportunity.

Accordingly, the Council expects that:

- Savings goals will be ambitious and reflective of achievable potential, informed by historical performance, market conditions, and available opportunities
- The Plan will clearly document the basis for savings targets, including how data and assumptions were used to develop those targets
- Where savings or budgets are reduced relative to prior levels or demonstrated opportunity, the Plan will clearly explain the factors driving those changes, including any constraints or tradeoffs

Data should be used to identify:

- Opportunities to improve program design and delivery
- Untapped or underdeveloped market potential
- Strategies to increase participation and deepen savings

The Council also expects the Plan to identify cost-effective opportunities that are not being pursued, along with a clear explanation of the factors influencing those decisions. This transparency is essential to understanding how investment levels and program outcomes align with the State's policy objectives and system needs.

ADDRESSING THE GAP BETWEEN CLIMATE OBJECTIVES AND INVESTMENT

The Council recognizes the increasing importance of ensuring that energy efficiency and demand-side investments meaningfully support Rhode Island's long-term greenhouse gas reduction requirements under the Act on Climate. In particular, the recently developed Climate Action Plan (CAP) provides a more detailed and sector-specific framework for how these emissions reductions are expected to be achieved over time.

The Council expects the 2027–2029 Plans to clearly demonstrate how proposed energy efficiency and demand response investments contribute to advancing the strategies and levels of impact identified in the Climate Action Plan, rather than relying solely on the assumption that any emissions reductions resulting from the programs will support the State's climate goals.

Accordingly, the Plans should:

- Describe how energy efficiency and demand response programs are expected to contribute to emissions reductions over the Plan period, including the relationship between program savings and avoided emissions

- Provide an assessment of how proposed investments and anticipated outcomes compare to the level of effort and scale of impact identified in the Climate Action Plan for relevant sectors
- Identify any gaps between expected program impacts and the emissions reductions trajectory implied by the Climate Action Plan, and discuss the implications of those gaps

Where gaps are identified, the Plans should also:

- Describe potential pathways for addressing those gaps over time, including through increased investment, program design changes, or coordination with complementary initiatives
- Clearly articulate any constraints, tradeoffs, or external dependencies that limit the ability to fully align with the Climate Action Plan in the near term

This analysis is intended to provide a more transparent understanding of how energy efficiency and demand response investments fit within the State's broader climate strategy, and to support informed decision-making regarding program budgets, priorities, and long-term planning.

INCREASING EMPHASIS ON SYSTEM RELIABILITY PROCUREMENT INVESTMENTS

The Council places increasing emphasis on the role of System Reliability Procurement (SRP) investments as a core component of Rhode Island's broader demand-side strategy. As system needs evolve—driven by electrification, load growth, and changing demand patterns—targeted demand-side resources will play an increasingly important role in maintaining system reliability and managing long-term costs.

In this context, the Council expects the SRP Plan to support the development of targeted, data-driven, and high-impact demand-side solutions, including active demand response programs and other resource types that may be advanced through SRP Investment Proposals.

The Council expects a continued evolution of SRP investments from largely just demand response offerings toward a more strategic approach that:

- Identifies specific system needs and constraints and matches them with appropriately designed demand-side solutions
- Prioritizes customer segments, technologies, and locations that provide the greatest system value
- Leverages available data, including AMI and system planning information, to inform targeting and program design

At the same time, the Council emphasizes that increased focus on SRP investments should complement, not displace, cost-effective energy efficiency investments. Energy efficiency and demand response serve distinct but complementary roles, and both are essential to achieving least-cost outcomes for customers.

The Council also expects that SRP investments will be developed in a manner that is coordinated with energy efficiency programs, supports a cohesive customer experience, and reflects broader portfolio objectives.

Additional detail on the Council's expectations for the SRP Plan, SRP Investment Proposals, and active demand response programs is provided in Section 8.

REQUIREMENTS FOR A BINDING THREE-YEAR PLAN

The transition to a binding three-year plan, particularly on the energy efficiency side, requires a more structured approach to implementation, accountability, and flexibility.

The Plans should:

- Translate all major strategies into clear implementation pathways, including timelines and milestones
- Identify which elements of the Plan are fixed and which may evolve over the three-year period
- Include annual checkpoints and mechanisms for adjustment, recognizing that annual filings will no longer serve as the primary mechanism for course correction

The Council recognizes that this first three-year plan is being developed under a compressed timeline, similar to an annual planning cycle. The Plan should:

- Acknowledge this constraint explicitly
- Build in appropriate flexibility, particularly in later years of the plan
- Identify areas where further analysis or refinement is expected

3. PORTFOLIO-LEVEL & CROSS-CUTTING PRIORITIES

The Council expects the 2027–2029 Plans to present a comprehensive and analytically robust view of portfolio performance and strategy, supported by clear metrics, transparent assumptions, and well-defined linkages to program design and implementation.

The priorities in this section address a combination of:

- Cross-cutting considerations that should be reflected across multiple program areas
- Portfolio-level analyses and frameworks that support decision-making and evaluation

While not all elements apply uniformly at the individual program level, each is intended to strengthen the overall coherence, transparency, and effectiveness of the Plans.

EQUITY AND ACCESS

Ensuring equitable access to and outcomes from energy efficiency programs remains a central priority for the Council. The 2027–2029 Plans should provide a clear and comprehensive framework for how programs are designed, targeted, and evaluated to serve income-eligible customers and other priority populations, including those in Environmental Justice communities.

In addition to expanding participation, the Council expects a continued focus on ensuring that program benefits—including energy savings, bill reductions, and improvements in housing conditions—are meaningfully distributed across customer groups.

The Council also expects equity considerations to be reflected not only at the portfolio level, but within the design and implementation of individual programs, in a manner that supports measurable and sustained outcomes.

Key Priorities and Recommendations

1. Strengthen measurement of equity outcomes

The Council expects the Plans to include a robust and transparent framework for evaluating equity outcomes. This should include:

- Participation rates, based on clearly defined eligible populations
- Clear definition of denominators used to assess program reach
- Distribution of program benefits across customer segments
- Measures of savings per participant and depth of intervention

Where applicable, the Plans should also include indicators of customer bill impacts or energy burden, recognizing that participation alone does not fully capture program effectiveness.

2. Embed equity considerations within program design

The Plans should clearly describe how equity strategies are incorporated within individual program offerings, in addition to any cross-cutting discussion. This may include:

- Program-specific descriptions of how priority populations are identified and served
- Integration of equity considerations into delivery pathways, outreach strategies, and measure offerings
- Presentation of this information within program descriptions or supporting materials, rather than only in a standalone section

This level of specificity will support greater transparency and ensure that equity strategies translate into actionable program design.

3. Incorporate equity into targeting and customer identification

The Plans should describe how equity considerations are incorporated into targeting strategies. This includes:

- Identification of priority customer segments based on indicators such as energy burden, high energy usage, or housing characteristics
- Use of available data, including AMI where appropriate, to improve targeting precision
- Integration of geographic targeting (e.g., Environmental Justice communities) with customer-level indicators of need

The goal should be to direct program resources toward customers with the greatest opportunity for meaningful impact.

4. Enhance transparency of equity-related data and findings

The Council expects the Plans to include a clear and accessible summary of available equity-related data, including relevant metrics and key findings. Where data are collected and reported in other venues (e.g., quarterly or annual reports), the Plans should:

- Provide a summary of key results within the Plan itself
- Include discussion of trends, findings, and implications
- Avoid relying solely on external references for critical information

This will improve transparency and support broader stakeholder understanding of program outcomes.

5. Strengthen integration of evaluation and advisory inputs

The Plans should describe how inputs from evaluation activities and advisory groups—such as the Equity Working Group—are incorporated into program design. This includes:

- Alignment of reporting timelines and planning processes to ensure that recommendations can inform Plan development
- Identification of key recommendations and how they are reflected in program strategies
- Description of how ongoing feedback will be incorporated over the Plan period

This coordination is important for ensuring that equity-related insights are meaningfully reflected in the Plans.

6. Evaluate and strengthen community partnerships

The Plans should include a clear description of how community-based partnerships support program outreach and participation. In addition, the Plans should describe:

- How the effectiveness of these partnerships is evaluated
- What insights have been gained through these partnerships
- How those insights inform program design and outreach strategies

This will help ensure that partnerships are both effective and aligned with program goals.

7. Incorporate workforce diversification considerations

The Council expects the Plans to include a description of how workforce development efforts support equitable outcomes, including:

- Engagement with organizations that support minority- and women-owned businesses (MWBEs)
- Efforts to promote workforce diversity and accessibility
- Consideration of workforce diversity metrics where feasible

Workforce diversity can play an important role in improving program accessibility and ensuring that services are responsive to the needs of all communities.

BILL IMPACTS, VALUE, AND ECONOMIC DEVELOPMENT BENEFITS

Energy affordability and customer value remain central to the Council's priorities for the 2027–2029 Plans. The Plans should provide a clear, transparent, and well-supported assessment of how energy

efficiency and demand-side investments affect customer energy bills, deliver broader system benefits, and contribute to Rhode Island's economy.

As the scale and scope of investments increase, the Council expects greater clarity not only in the magnitude of bill impacts, but also in the methods used to calculate and present those impacts, and how they relate to the broader set of benefits delivered by the portfolio.

In this context, the Council expects the Plans to present a comprehensive and integrated view of value, including customer, system, environmental, and economic development benefits. This includes continued refinement of how these benefits are measured, communicated, and—where appropriate—incorporated into cost-effectiveness frameworks.

Key Priorities and Recommendations

1. Provide comprehensive, transparent, and well-communicated bill impact analysis

The Plans should include a clear, comprehensive, and well-documented assessment of customer bill impacts, along with a presentation of those impacts that is accessible and interpretable to a wide range of stakeholders. This should include:

- Short-term and long-term bill impacts, with explanation of how and why impacts may change over time
- Impacts on total energy bills across fuels, where applicable
- A clear description of the methodologies, assumptions, and inputs used in bill impact calculations
- Discussion of any known limitations or uncertainties in the methodology and how they are addressed

In addition, the Plans should ensure that bill impacts are presented in a manner that supports clear understanding and interpretation. This includes:

- Clear explanation of how bill impacts are calculated and what they represent
- Distinction between participant and non-participant impacts, where relevant
- Contextualization of bill impacts within broader program benefits and system outcomes

Where appropriate, the Plans should also provide illustrative examples or scenarios to demonstrate how program investments translate into customer bill impacts over time.

Providing this level of clarity and transparency will support a more complete understanding of how program investments affect customers and will help ensure that bill impacts are appropriately considered alongside broader program benefits.

2. Connect bill impacts to customer experience and program outcomes

The Plans should describe how bill impacts relate to customer experience and program outcomes, including:

- How programs are expected to reduce or manage customer energy costs over time
- How bill savings and benefits are communicated to customers

- How program design supports meaningful and sustained cost savings

This is particularly important in ensuring that program value is clearly understood by customers, regardless of whether they directly participate in program offerings.

3. Clarify and consistently apply the concept of value

The Plans should clearly define the different dimensions of value considered in evaluating program investments. This should include, as applicable:

- Customer bill savings
- System-level benefits, including avoided costs
- Emissions reductions
- Economic development impacts, such as job creation and local economic activity
- Non-energy benefits, including health, comfort, and housing quality improvements

The Plans should also describe how these different dimensions of value are considered together in informing investment decisions, including any tradeoffs or prioritization.

4. Re-evaluate the treatment of economic development benefits

The Council recognizes that economic development benefits have historically been presented outside of the primary Rhode Island Cost-Effectiveness Test (RI Test), due to valid concerns regarding potential double-counting of benefits.

At the same time, the Council continues to support exploration of approaches that would allow for the inclusion of a conservative, non-zero value for economic development benefits within the RI Test, in a manner that appropriately balances accuracy and methodological rigor. Accordingly, the Plans should:

- Describe the current treatment of economic development benefits within cost-effectiveness analyses
- Summarize any ongoing or planned efforts to evaluate alternative approaches
- Identify opportunities to engage stakeholders in developing a commonly accepted methodology for incorporating these benefits

The Council encourages continued dialogue on this topic and expects that progress toward a refined approach will be made during the 2027–2029 planning cycle, including, where feasible, identification of a methodology that could be applied in future Plans.

To the extent that methodological agreement can be reached during the Plan period, the Council encourages incorporation of an updated approach within the current planning cycle.

TRADEOFFS AND CONSTRAINTS

The Council recognizes that development of the 2027–2029 Plans requires balancing multiple objectives, including achieving all cost-effective savings, managing rate and bill impacts, supporting system reliability, and advancing the State's climate goals. These objectives may, at times, create tradeoffs that influence program design, investment levels, and overall portfolio performance.

The Council expects the Plans to provide a clear and transparent description of these tradeoffs, along with the factors that drive key planning decisions. This is particularly important in the context of a binding three-year plan, where decisions made at the outset may shape outcomes over the full Plan period.

Key Priorities and Recommendations

1. Clearly describe constraints and decision drivers

The Plans should clearly describe the key constraints and considerations that influence program design and investment decisions, including:

- Budget limitations or potential caps on program spending
- Rate and bill impact considerations
- Cost-effectiveness requirements and thresholds
- Market, workforce, or implementation constraints

Where these factors influence savings targets, program structure, or investment levels, the Plans should describe how they are weighed and applied in decision-making.

2. Identify and characterize unrealized opportunities

The Council expects the Plans to identify cost-effective energy efficiency and demand-side opportunities that are not being pursued within the proposed portfolio. This should include:

- A description of the types of measures, customer segments, or markets where opportunities exist
- An assessment of the scale of those unrealized opportunities, where feasible
- The factors that limit or constrain their inclusion in the Plan

Providing this information will support a more complete understanding of how the proposed portfolio compares to the full set of available opportunities. This information is particularly important for understanding how constraints—such as budget limits or rate impact considerations—affect the ability to pursue all cost-effective savings.

3. Explain tradeoffs and their implications

Where tradeoffs are made, the Plans should clearly explain their implications for key outcomes, including:

- Customer bill impacts
- Energy savings and participation levels
- Progress toward emissions reduction goals
- Equity and distribution of program benefits

This discussion should help stakeholders understand not only what decisions have been made, but how those decisions affect the overall performance and objectives of the portfolio.

4. Provide transparency to support informed decision-making

The Council expects that the Plans will present tradeoffs in a manner that supports transparent and informed decision-making by stakeholders. This includes:

- Clearly linking constraints and tradeoffs to specific program or portfolio outcomes
- Providing sufficient context to understand alternative approaches that were considered
- Aligning discussion of tradeoffs with other elements of the Plan, including bill impacts, climate objectives, and equity considerations

This level of transparency is essential to ensuring that investment decisions are well understood and can be evaluated in the context of the State's broader policy goals.

WORKFORCE DEVELOPMENT

A skilled and adequately sized workforce is essential to achieving the scale and scope of energy efficiency and demand-side investments envisioned in the 2027–2029 Plans. Workforce development efforts support not only program delivery, but also broader economic development and equity objectives.

The Council expects the Plans to provide a clear and actionable description of how workforce development activities are designed, implemented, and evaluated, including how they align with evolving program needs, technologies, and customer segments.

Key Priorities and Recommendations

1. Define workforce needs and align with program requirements

The Plans should describe workforce needs across major program areas and how workforce development strategies are aligned with those needs. This includes:

- Identification of workforce requirements by program type (e.g., weatherization, HVAC, commissioning, electrification)
- Alignment of training efforts with evolving technologies, including heat pumps, heat pump water heaters, and advanced controls
- Consideration of relevant trades and professions needed to support program delivery

This alignment is important to ensure that workforce investments directly support program objectives and anticipated areas of growth.

2. Utilize measurable workforce metrics and track performance

The Council expects the Plans to include clear definitions of workforce development metrics and how they will be used to assess progress and effectiveness. This should include, where feasible:

- Number of contractors participating in programs
- Number of individuals trained or certified
- Participation in specific training programs or initiatives
- Indicators of workforce retention or growth over time

The Plans should also describe how these metrics will be tracked and reported over the three-year period. In addition, the Plans should provide transparency regarding:

- Workforce development budgets and expenditures
- How prior funding has been utilized
- Whether available funding is sufficient to achieve stated workforce development goals

3. Demonstrate evaluation and continuous improvement of workforce initiatives

The Plans should describe how workforce development activities are evaluated over time and how those evaluations inform future planning. This includes:

- Description of how training programs and initiatives are assessed for effectiveness
- Identification of lessons learned from prior efforts
- Explanation of how those insights are incorporated into updates or refinements of workforce strategies

Providing this context will help ensure that workforce development activities evolve in response to program needs and market conditions.

4. Ensure training content remains relevant and comprehensive

The Plans should describe how training content is kept current and aligned with program offerings. This includes:

- Incorporation of emerging and evolving technologies into training programs where appropriate
- Coordination across different program areas to ensure consistent coverage of relevant measures and practices
- Consideration of expanded training opportunities across multiple trades where relevant

This is particularly important as the portfolio increasingly emphasizes electrification and system-level improvements.

5. Support workforce pipeline development and accessibility

The Council supports continued efforts to build a long-term workforce pipeline. The Plans should describe:

- Partnerships with educational institutions, training programs, and workforce development organizations
- Efforts to engage students and early-career professionals
- Strategies to promote awareness of career opportunities in energy efficiency and related fields

6. Incorporate equity and diversity considerations in workforce development

The Plans should describe how workforce development efforts support equitable outcomes, including:

- Engagement with organizations that support minority- and women-owned businesses (MWBEs)

- Efforts to expand access to workforce opportunities for underserved populations
- Consideration of workforce diversity indicators, where feasible

Workforce diversity can play an important role in improving program accessibility and delivering services that are responsive to community needs.

PARTICIPATION AND OUTREACH

Customer participation is central to achieving the outcomes of the 2027–2029 Plans. The Council expects the Plans to provide a clear and intentional strategy for how customers become aware of, access, and engage with available program offerings.

This includes not only outreach and marketing efforts, but also the design of customer entry points, navigation pathways, and overall user experience, which collectively determine how effectively customers move from initial awareness to completed projects and realized benefits.

Digital platforms—particularly the program website and related tools—serve as primary access points for many customers and therefore play a critical role in shaping participation outcomes.

Key Priorities and Recommendations

1. Improve customer entry points and overall user experience

The Plans should describe how customers:

- Discover available programs
- Access information about program offerings
- Navigate between different programs and services
- Identify and enroll in offerings for which they are eligible

The Council places particular emphasis on the role of digital platforms, including the program website, as a primary customer entry point. The Plans should also include:

- A description of current customer-facing platforms and tools
- Planned improvements to website structure, navigation, and usability, not only content
- Strategies to ensure that customers can easily identify relevant programs without needing prior knowledge of program categories or terminology

Where appropriate, the Plans should describe efforts to simplify the organization of program offerings (e.g., guiding customers through high-level pathways such as residential or business customers before directing them to specific programs).

Over time, the Company should also consider how evolving digital platforms—including mobile applications and integrated customer interfaces—can support improved access to energy efficiency offerings, even where such tools are developed outside of the core energy efficiency budget.

2. Develop targeted and proactive outreach strategies

The Plans should include a more proactive and data-driven approach to customer outreach. This includes:

- Identification and targeting of high-usage or high-bill customers, where energy efficiency interventions may have the greatest impact
- Use of available data, including AMI where appropriate, to refine outreach strategies and improve engagement
- Tailoring outreach approaches to different customer segments, including underserved populations and small businesses

The Plans should describe how outreach strategies are designed not only to raise awareness, but also to drive participation and project completion.

3. Enhance transparency through public-facing tools and reporting

The Council continues to emphasize the importance of accessible, timely, and centralized program data for both customers and stakeholders. The Plans should include a clear roadmap for:

- Development or implementation of a public-facing dashboard that provides key program metrics, such as participation, savings, and other outcomes
- Regular updating of this information in a manner that supports ongoing visibility into program performance
- Presentation of data in a format that is clear, user-friendly, and supported by appropriate context and explanation

Providing this level of transparency will support stakeholder engagement, build trust, and enable more effective tracking of progress over time.

ADVANCED METERING INFRASTRUCTURE

Advanced Metering Infrastructure (AMI) represents a foundational capability for improving targeting, program design, evaluation, and customer engagement across the energy efficiency and demand-side portfolio. The availability of interval data creates significant opportunities to better understand customer energy usage, identify high-value opportunities, and deliver more tailored and effective program offerings.

The Council expects the 2027–2029 Plans to move beyond general discussion of AMI capabilities and provide a clear and actionable framework for how AMI-enabled data and tools will be used throughout the Plan period.

Key Priorities and Recommendations

1. Provide a phased and practical roadmap for AMI integration

The Plans should describe how AMI capabilities will be deployed and expanded over the course of the three-year period. This should include:

- Near-term applications that can be implemented using existing data and tools
- Planned enhancements to data access, analytics, or internal capabilities
- A clear progression from initial use cases to more advanced applications

This roadmap should reflect a realistic assessment of current capabilities while establishing a clear path toward more advanced use of AMI over time. The roadmap should distinguish between capabilities that are currently available and those that require further development or investment.

2. Prioritize high-value and near-term use cases

The Plans should identify and prioritize specific AMI use cases that are expected to deliver meaningful value within the Plan period. These may include:

- Identification and targeting of high-usage or high-bill customers
- Analysis of customer load shapes to inform program design
- Support for demand response targeting and performance measurement
- Identification of opportunities for deeper or more comprehensive interventions

Prioritization should be based on expected impact, feasibility, and alignment with broader program objectives.

3. Integrate AMI into participation, program design, and delivery

The Plans should describe how AMI data are integrated into core program functions, including:

- Targeting and outreach strategies (e.g., identifying high-opportunity customers)
- Program design, including tailoring offerings based on customer usage patterns
- Supporting customer engagement through more personalized information and recommendations

AMI should be used to enhance the effectiveness of existing program structures wherever possible.

4. Leverage AMI to support demand response and system objectives

AMI capabilities are particularly important for supporting demand response and broader system reliability objectives. The Plans should describe how AMI data will be used to:

- Identify customers with high peak demand or flexible load potential
- Support design and targeting of demand response programs
- Evaluate program performance, including load reduction during events

This coordination is essential to maximizing the value of demand-side resources within the SRP framework.

5. Incorporate AMI into evaluation, measurement, and verification

The Plans should describe how AMI data will be incorporated into EM&V activities. This includes:

- Use of interval data to improve measurement of energy savings and customer behavior
- Enhanced ability to evaluate program impacts at a more granular levelIdentification of opportunities to refine evaluation methodologies over time

The Council expects AMI to play an increasing role in supporting more accurate and data-driven evaluation practices.

6. Define expected outcomes and metrics associated with integrating AMI

Finally, the Plans should describe the expected impacts of AMI integration and how those impacts will be measured. This may include:

- Improvements in participation and targeting effectiveness
- Increases in savings per participant or project
- Enhanced performance of demand response programs
- Improved customer engagement and experience

Where feasible, the Plans should include metrics or indicators that can be used to track progress over the Plan period.

4. PROGRAM DESIGN AND DELIVERY

The Council expects program design to clearly translate the strategies and priorities outlined in this document into specific, actionable, and implementable program offerings. Program descriptions should provide sufficient clarity to allow stakeholders to understand how proposed activities will be delivered, how they will achieve intended outcomes, and how they align with broader portfolio objectives.

In the context of a binding three-year plan, the level of detail provided in program design is particularly important, as it forms the foundation for implementation, performance tracking, and accountability over the full Plan period.

This section establishes general expectations for program design and presentation. More detailed priorities and recommendations are provided in the program-specific sections that follow.

Key Priorities and Recommendations

1. Provide clear and consistent program descriptions

Each program included in the Plans should be described in a manner that is clear, consistent, and sufficiently detailed to support evaluation and implementation. Program descriptions should include:

- A clearly defined target market or customer segment
- A description of program objectives and intended outcomes
- Identification of measures, technologies, or services offered
- Description of delivery pathways, including roles of implementers, contractors, and partners

Providing this level of clarity will improve comparability across programs and support more effective review and implementation.

2. Define implementation pathways and key activities

The Plans should clearly describe how programs will be implemented in practice. This includes:

- Key program components (e.g., audits, incentives, direct install, custom projects)
- Customer journey from initial engagement to project completion
- Roles and responsibilities of program administrators, vendors, and partners

- High-level timelines or sequencing of major activities where applicable

This information is important to ensure that program strategies are operationally grounded and implementable.

3. Integrate performance metrics and success indicators

Program designs should include clearly defined performance metrics that reflect both participation and outcomes. These may include:

- Participation levels or rates
- Energy savings and peak demand impacts
- Savings or benefits per participant
- Indicators of customer experience or satisfaction

The Plans should also describe how these metrics will be used to monitor performance and inform program adjustments over the Plan period.

4. Incorporate evaluation findings and prior experience

Program design should be informed by available data, evaluation findings, and prior program experience. The Plans should describe:

- Key insights from relevant evaluation studies
- How those insights have informed program design decisions
- Any changes in strategy, design, or delivery approach based on past experience

This will help ensure that programs continue to evolve and improve over time.

5. Align program design with cross-cutting priorities

Program descriptions should clearly reflect how cross-cutting priorities are incorporated into design and delivery. This includes, as appropriate:

- Equity and access considerations
- Targeting and participation strategies
- Workforce requirements and constraints
- Integration with system reliability and demand response objectives

Programs should be designed as part of a cohesive portfolio to mitigate any risk that they operate in isolation of other program offerings.

6. Ensure clarity on program evolution over the Plan period

Given the three-year structure of the Plan, the Council expects clarity on which elements of program design are expected to remain stable and which may evolve over time. The Plans should:

- Identify areas where program design is expected to be refined or expanded in years two and three
- Describe any dependencies on additional analysis, funding, or external factors

- Clearly communicate the level of flexibility associated with different program components

This will help balance the need for upfront clarity with the ability to adapt to changing conditions.

5. RESIDENTIAL & INCOME ELIGIBLE PROGRAMS

Residential and income-eligible programs represent the primary interface between the energy efficiency portfolio and Rhode Island households, and play a central role in delivering energy savings, improving affordability, and advancing equity outcomes. These programs must balance broad accessibility with the ability to deliver meaningful and sustained impacts for participating customers.

The Council expects the 2027–2029 Plan to present a clear and integrated strategy for residential programs that reflects the diversity of housing types, customer needs, and market conditions across the state. This includes demonstrating how programs are structured to support participation, deliver comprehensive and cost-effective interventions, and provide a coordinated customer experience across multiple program entry points.

In particular, the Plan should show how residential and income-eligible programs:

- Provide clear pathways from initial engagement to completed projects and realized benefits
- Deliver measurable outcomes in terms of energy savings, bill impacts, and improvements in housing conditions
- Incorporate targeted strategies to reach priority populations, including income-eligible households and customers with high energy burden
- Align with broader portfolio objectives, including electrification, system reliability, and emissions reduction

As the portfolio evolves, the Council expects residential programs to increasingly leverage data, coordination across offerings, and improved delivery models to enhance both participation and outcomes over the three-year plan period.

HOME ENERGY AUDIT AND WEATHERIZATION PROGRAMS

This includes EnergyWise Single Family, EnergyWise Multifamily, Income Eligible Single Family, and Income Eligible Multifamily.

Pre-Weatherization and Barrier Remediation

Addressing pre-weatherization barriers is a critical component of ensuring that energy efficiency programs are accessible to all customers, particularly those in income-eligible households and historically underserved communities. These barriers—including structural issues, health and safety concerns, and deferred maintenance—can prevent otherwise eligible homes from receiving cost-effective energy efficiency upgrades such as insulation, air sealing, and electrification measures.

The Council recognizes that efforts are already underway to address these challenges through a combination of program offerings, partnerships, and external funding sources. The 2027–2029 Plan

should build on these efforts by providing a comprehensive, coordinated, and scalable approach to barrier remediation.

Key Priorities and Recommendations

1. Establish a comprehensive and scalable strategy for addressing barriers

The Plan should present a clear, programmatic strategy for identifying and addressing pre-weatherization barriers across the eligible housing stock. This should include:

- A characterization of the types and prevalence of barriers encountered
- A description of how different barrier types will be addressed (e.g., structural repairs, electrical upgrades, health and safety issues)
- Identification of delivery pathways and responsible entities

The objective should be to ensure that homes are not systematically excluded from participation due to predictable and well-understood barriers.

2. Leverage and align multiple funding sources

The Council recognizes that addressing pre-weatherization barriers at scale may not be feasible through ratepayer-funded programs alone. The Plan should therefore describe how:

- Ratepayer funds are coordinated with external resources, including federal, state, and other funding sources
- Efforts are made to stabilize and expand funding sources over time, where possible
- Partnerships are used to align resources across programs and agencies

This approach should balance the efficient use of ratepayer funds with the need to address barriers that would otherwise limit program participation.

3. Provide a coordinated and seamless customer experience

The Council expects that barrier remediation efforts will be structured in a way that minimizes the burden on customers. The Plan should describe how:

- Customers are identified and screened for barriers through primary program entry points
- Barrier remediation activities are coordinated with energy efficiency program delivery, even where multiple entities are involved
- Customers are supported through the process and do not need to independently navigate separate programs or providers

A coordinated, “hands-off” customer experience is essential to ensuring that eligible households are able to successfully move from initial engagement to completed upgrades.

4. Integrate barrier remediation into core program design

Barrier remediation should be integrated into the broader program framework. The Plan should describe how:

- Customers encountering barriers are tracked and managed within program workflows

- Barrier remediation is coordinated with subsequent energy efficiency improvements
- Customers are successfully returned to the program pipeline following remediation

This integration is critical to improving conversion rates and achieving overall program objectives.

5. Improve data collection and tracking of barriers and outcomes

The Plan should include a clear framework for tracking barriers and related outcomes. This should include:

- Consistent categorization of barrier types across programs
- Tracking of deferred or incomplete projects and reasons for deferral
- Measurement of the number of homes successfully remediated and subsequently served

Improved data collection will support better targeting, program design, and resource allocation over time.

6. Align with broader housing and policy initiatives

The Plan should describe how pre-weatherization efforts align with broader housing, health, and affordability initiatives. This includes:

- Coordination with state and local housing programs and home repair initiatives
- Clarification of roles and responsibilities across participating organizations
- Identification of how these efforts collectively support increased program participation

This alignment will help ensure that energy efficiency programs are part of a broader, coordinated approach to addressing housing-related barriers.

EnergyWise Single Family

The EnergyWise Single Family program serves as the primary entry point into Rhode Island's residential energy efficiency portfolio and plays a central role in delivering savings, engaging customers, and connecting participants to additional program offerings.

As such, the design and performance of this program have significant implications not only for residential energy savings outcomes, but also for customer experience, participation, and the effectiveness of the broader portfolio.

The Council expects the 2027–2029 Plan to clearly define the role of the EnergyWise Single Family program as a coordinating platform for residential energy efficiency services, and to further strengthen its effectiveness as both a delivery mechanism and a customer engagement tool.

Key Priorities and Recommendations

1. Strengthen the role of EnergyWise as a primary entry point

The Plan should clearly position the EnergyWise Single Family program as the primary gateway for residential customers entering the energy efficiency portfolio. This includes ensuring that:

- Customers can easily transition from initial engagement into the EnergyWise program, through a variety of entry points (e.g., website, outreach, targeted engagement)
- The program serves as a staging point for identifying and connecting customers to additional offerings, including HVAC upgrades, consumer products, and demand response programs
- Program design and messaging clearly communicate the full range of available services

Strengthening this role is essential to achieving a seamless and integrated customer experience across the portfolio.

2. Provide clarity on audit-to-installation pathways and outcomes

The Council expects the Plan to emphasize the importance of the effectiveness of audits as a mechanism for delivering measurable savings. The Plan should:

- Provide data on audit-to-installation conversion rates, including variation across customer segments (e.g., renters vs. owners, fuel type, or geography)
- Describe how customers move from audit recommendations to completed projects
- Identify factors that influence customer follow-through, including both enabling factors and barriers

This information will help establish a clearer understanding of how the program translates customer engagement into realized savings.

3. Address depth and comprehensiveness of interventions

In addition to participation and conversion, the Plan should describe the depth and scope of measures delivered through the EnergyWise program. This includes:

- The typical mix of measures installed during program participation
- The extent to which deeper, whole-home improvements (e.g., insulation, air sealing) are achieved
- How prior participation is considered when identifying opportunities for additional or more comprehensive upgrades

This is particularly important in understanding how the program contributes to long-term savings and customer benefits over time and to ensure that prior program participation does not preclude opportunities for more comprehensive treatment where such opportunities remain.

4. Leverage data-driven targeting to reach high-impact customers

The Council strongly supports proactive engagement with customers experiencing high or volatile energy bills. The EnergyWise program should play a central role in this strategy. The Plan should describe how:

- High-usage or high-bill customers are identified using available data (including AMI where appropriate)
- These customers are proactively contacted and directed into the EnergyWise program
- Program offerings are tailored to address the specific drivers of their energy usage

This approach is particularly important in the current affordability environment and represents one of the most direct ways energy efficiency programs can provide immediate customer value.

5. Integrate EnergyWise with electrification and HVAC programs

The EnergyWise Single Family program should be closely integrated with HVAC and electrification offerings. The Plan should describe how:

- Audit processes identify and prioritize customers with high potential for electrification (e.g., electric resistance heating, aging systems)
- Customers are connected to appropriate programs, including both utility offerings and external programs such as CleanHeat RI.
- Program pathways are structured to support a smooth transition from audit to installation

This coordination is important to ensuring that customers are able to access the full range of available solutions.

6. Enhance consistency and quality of program delivery

The Council expects the Plan to address variability in program delivery, including differences in audit quality, contractor performance, and customer experience. The Plan should include:

- A description of quality assurance and quality control (QA/QC) processes
- Metrics used to evaluate contractor performance
- Strategies to ensure consistency in recommendations and service delivery across vendors

Consistency is essential to building customer trust and ensuring that program outcomes are reliable and replicable.

7. Strengthen use of data and feedback loops

The Plan should describe how program data and evaluation findings are used to inform ongoing program management and improvement. This includes:

- Tracking of key performance metrics such as conversion rates, savings per participant, and customer experience
- Integration of EM&V findings into program design and implementation
- Use of data to identify opportunities for refinement over time

A strong feedback loop is essential in the context of a three-year plan, where adjustments must occur within the Plan period.

8. Clarify relationship to other residential program pathways

Finally, the Plan should clearly define how the EnergyWise program fits within the broader residential program structure. This includes:

- Differentiation between EnergyWise and other program pathways (e.g., direct install, midstream offerings, upstream programs)
- Description of when and how customers are routed into different program channels

- Ensuring that the overall structure is coherent and customer-centered

Without this clarity, there is a risk that customers experience the system as fragmented or difficult to navigate.

Income Eligible Single Family

The Income Eligible Single Family program plays a central role in ensuring that energy efficiency investments deliver meaningful benefits to households facing the greatest affordability challenges. These customers often experience higher energy burdens and face additional barriers to participation, including housing conditions, financial constraints, and access to information.

As such, this program represents a key component of the portfolio's ability to advance affordability, equity, and long-term housing quality improvements.

The Council expects the 2027–2029 Plan to clearly define how the program delivers comprehensive, high-impact services and how those services translate into measurable improvements in customer outcomes.

Key Priorities and Recommendations

1. Prioritize comprehensive treatment and meaningful bill impacts

The Plan should emphasize the delivery of comprehensive energy efficiency improvements that result in meaningful and sustained reductions in customer energy burden. This includes:

- A clear definition of what constitutes a "comprehensive" treatment
- Description of the typical scope of services delivered to participating households
- Identification of strategies to ensure that customers receive deeper, whole-home improvements where feasible

The Plan should also describe how program design supports measurable bill impacts.

2. Strengthen integration with pre-weatherization and barrier remediation

As described in the pre-weatherization section, many income-eligible households face barriers that can limit participation in core energy efficiency programs. The Plan should describe how:

- Customers are screened for pre-weatherization barriers early in the process
- Barrier remediation efforts are coordinated with energy efficiency program delivery
- Customers are supported through the full process and transitioned to energy efficiency improvements following remediation

This coordination should be structured to provide a seamless customer experience, even where multiple entities or funding sources are involved.

3. Improve targeting and prioritization of high-burden households

The Council expects the Plan to clearly describe how the program identifies and prioritizes households with the greatest need. This includes:

- Use of available data to identify customers with high energy burden, high usage, or other indicators of need
- Integration of geographic targeting (e.g., Environmental Justice communities) with household-level indicators
- Coordination with other programs or agencies that serve income-eligible populations

The Plan should provide sufficient detail to demonstrate how targeting strategies support maximizing program impact for eligible households.

4. Incorporate outcome-based metrics and performance tracking

The Plan should include a set of performance metrics that reflect program outcomes, not only participation levels. This may include:

- Energy savings per participant
- Estimated bill reductions or changes in energy burden
- Depth and scope of measures installed
- Completion rates for identified projects

The Plan should also clearly define the eligible population to support evaluation of participation rates and program reach.

5. Enhance integration with electrification opportunities

The program should include a clear strategy for incorporating electrification measures where appropriate, particularly where they support long-term affordability and emissions goals. The Plan should describe how:

- Eligible households are identified for electrification opportunities
- Electrification measures are coordinated with weatherization and enabling upgrades
- Customers are connected to relevant external programs or initiatives, where applicable

In addition, the Council expects the Plan to address situations in which households with delivered fuel heating systems (e.g., oil or propane) are effectively relying on electric resistance heating for extended periods due to affordability constraints. The Plan should describe how:

- These households are identified, including through analysis of usage patterns and customer circumstances
- Program offerings are designed or adapted to address their needs
- Appropriate solutions—such as weatherization, electrification, or other interventions—are deployed to reduce reliance on high-cost or inefficient heating practices

Addressing this dynamic is important to ensuring that program design reflects actual customer behavior and energy use, and that program benefits are directed toward households experiencing the greatest affordability challenges.

6. Improve customer experience and accessibility

The Council expects the Plan to include strategies to ensure that the program is accessible and easy to navigate for participating customers. This includes:

- Simplifying enrollment and participation processes
- Providing clear and accessible information throughout the customer journey
- Coordinating services to minimize the burden on customers to navigate multiple programs or providers

A strong customer experience is essential to ensuring successful participation and completion.

7. Ensure consistency and quality of program delivery

The Plan should describe how quality and consistency are maintained across program delivery. This includes:

- Clearly defined service standards
- Quality assurance and quality control processes
- Approaches to monitoring contractor and implementer performance

Consistency is important to ensuring that program outcomes are reliable and equitable across participants.

8. Align with broader affordability and housing initiatives

Finally, the Plan should describe how the Income Eligible Single Family program aligns with broader efforts to address affordability and housing-related challenges. This includes:

- Coordination with housing, health, and home repair programs
- Integration with other assistance programs where appropriate
- Leveraging complementary resources while maintaining continuity of service

This alignment will help maximize the impact of program investments and support long-term outcomes for participating households.

Multifamily Programs

Multifamily buildings represent a significant and diverse segment of Rhode Island's housing stock, including many income-eligible households and customers facing elevated energy burdens. As such, multifamily programs play an important role in advancing energy savings, affordability, and equity objectives across the portfolio.

The multifamily market includes a range of building types, ownership structures, and decision-making dynamics, which can influence how program strategies are designed and implemented.

The Council expects the 2027–2029 Plan to present a clear, cohesive, and data-informed strategy for the multifamily sector, including how programs are targeted, delivered, and evaluated across different segments of the market.

Key Priorities and Recommendations

1. Develop a clear and integrated multifamily strategy

The Plan should provide a comprehensive and cohesive strategy for serving multifamily customers across both income-eligible and market-rate segments. This should include:

- Description of how the multifamily market is segmented (e.g., building size, ownership model, affordability status)
- Identification of priority segments based on opportunity and need
- Explanation of how different program offerings work together to serve these segments

Providing a clear strategic framework will support more coordinated and effective program delivery.

2. Strengthen use of existing data and targeting tools

The Council emphasizes the importance of leveraging existing data resources to support effective targeting in the multifamily sector. The Plan should:

- Describe how existing multifamily datasets (e.g., building databases or prior census efforts) are used to identify and prioritize buildings
- Identify any remaining gaps in data and the incremental value of proposed new data initiatives
- Avoid duplicative data collection efforts unless clearly justified

The Plan should also describe how additional data sources, including AMI where appropriate, are used to enhance targeting and identify high-opportunity buildings.

3. Enhance outreach and engagement strategies for property owners and managers

Effective engagement in the multifamily sector requires targeted strategies for landlords, property managers, and other decision-makers. The Plan should provide a detailed description of:

- How building owners and decision-makers are identified and engaged
- The role of trade allies, property managers, and community organizations in outreach
- Strategies used to build awareness and drive participation among property owners

The Council recognizes ongoing efforts to strengthen engagement in this area and expects continued refinement of these strategies, with a focus on improving participation and project completion.

4. Address split incentives and financial barriers

Multifamily buildings often present unique challenges related to split incentives, capital availability, and decision-making structures. The Plan should describe how program design addresses these challenges, including:

- Incentive structures that align interests of building owners and tenants
- Strategies to address financial and capital constraints
- Approaches to ensuring that both owners and tenants benefit from participation

Addressing these factors is important to enabling broader participation and achieving meaningful outcomes.

5. Provide clarity on scope and depth of interventions

The Plan should describe the scope and depth of services provided through multifamily programs. This includes:

- The typical combination of measures delivered (e.g., common area, in-unit, system-level improvements)
- Opportunities for whole-building or more comprehensive interventions
- How program design supports more integrated or bundled project approaches

Providing this clarity will help demonstrate how multifamily programs contribute to sustained energy savings and customer benefits.

6. Strengthen performance tracking and outcome-based metrics

The Council expects the Plan to include improved performance tracking for multifamily programs. This should include:

- Participation rates based on the total eligible building stock
- Savings per building or per unit
- Tracking of project completion rates and timelines

The Plan should also clearly define the denominator used for participation metrics to support meaningful evaluation of program reach.

HVAC AND HOT WATER PROGRAMS

Residential HVAC and hot water programs represent a central component of the energy efficiency portfolio, both in terms of energy savings and their role in shaping long-term system and emissions outcomes. Investments in heating and hot water equipment often involve long-lived assets, making program design in this area particularly important for influencing the trajectory of energy use and emissions over time.

These programs also present unique considerations, including higher upfront costs, more complex customer decision-making, and the need for coordination across multiple program pathways and external initiatives.

The Council expects the 2027–2029 Plan to present a clear, integrated, and forward-looking approach to HVAC and hot water programs that:

- Supports customer affordability and participation
- Reflects the evolving role of electrification and system-level improvements
- Aligns near-term program decisions with the State's long-term emissions reduction objectives

In this context, the Plan should demonstrate how program design balances immediate customer needs with the broader goal of transitioning the market toward lower-emission technologies over time, particularly where program investments influence long-term infrastructure and equipment choices.

Key Priorities and Recommendations

1. Develop a clear and coordinated approach to electrification

The Plan should articulate how HVAC and hot water programs support electrification in a manner that aligns with program authority and broader state initiatives. This includes:

- Identifying customer segments where electrification is most appropriate (e.g., electric resistance heating, aging HVAC systems)
- Coordinating with external programs and initiatives (such as state-led electrification efforts) where the Company is not the primary implementer
- Aligning program pathways to ensure that customers can transition to appropriate solutions without unnecessary barriers

This coordinated approach is essential to ensuring that customers are able to access the full range of available electrification opportunities.

2. Strengthen targeting of high-opportunity customers

The Plans should describe how HVAC and hot water opportunities are identified and prioritized across different customer segments. This includes:

- Identification of customers with high savings potential, including both space heating and water heating opportunities
- Consideration of multiple pathways for identifying opportunities, including audit-based identification and data-driven targeting
- Use of available studies and data sources to inform targeting approaches

The goal should be to ensure that cost-effective opportunities across different customer types and end uses are appropriately identified and pursued.

3. Expand use of upstream and midstream delivery strategies

The Council encourages the Plan to evaluate opportunities to expand the use of upstream and midstream delivery channels where appropriate. These approaches can:

- Reduce customer transaction costs and administrative burden
- Improve participation by embedding incentives within product or contractor channels
- Support consistent and scalable delivery of measures

The Plan should describe:

- Which measures are currently delivered through different channels
- The rationale for selecting delivery pathways

- Opportunities to transition additional measures where it would improve effectiveness or customer experience

4. Improve integration with other program entry points

HVAC and hot water programs should be well integrated with other residential program entry points, particularly the EnergyWise Single Family program. The Plan should describe how:

- Customers are identified for HVAC and hot water opportunities during audits and other program interactions
- Recommendations are translated into completed installations through coordinated pathways
- Customers are supported throughout the decision-making and installation process

This integration is essential to ensuring that customer engagement results in completed projects.

5. Address cost and affordability considerations

HVAC and hot water upgrades often involve higher upfront costs relative to other efficiency measures. The Plan should describe how program design addresses affordability, including:

- Incentive structures and how they support customer decision-making
- Availability of financing or other support mechanisms, where applicable
- Coordination with complementary programs or funding sources

Addressing cost barriers is important to enabling broader adoption across customer segments.

6. Align program design with long-term emissions reductions mandates

The Council expects HVAC and hot water program design to reflect Rhode Island's long-term emissions reduction requirements under the Act on Climate, as further informed by the State's Climate Action Plan. In this context, the Plan should clearly describe how program offerings and incentive structures are aligned with a long-term transition away from fossil fuel-dependent systems, particularly in cases where investments may have multi-decade lifetimes. This includes:

- Identification of technologies and pathways that support sustained emissions reductions over time
- Consideration of how near-term program decisions influence long-term system outcomes
- Description of how program design avoids or minimizes investment in equipment that may be inconsistent with long-term climate objectives

The Council recognizes that customer needs, system conditions, and program authorities may require a range of solutions in the near term. However, the Plan should demonstrate that program design is oriented toward progressively shifting the market toward lower-emission technologies, and that long-lived investments are evaluated in the context of their alignment with the State's emissions trajectory.

7. Expand emerging and underutilized technologies

The Plan should evaluate opportunities to include or expand adoption of emerging or underutilized technologies, as appropriate. These may include:

- Heat pump water heaters (including 120V models)
- Window or compact heat pump systems
- Advanced controls and hybrid system configurations

Where included, the Plan should describe the role of these technologies, target customer segments, and any barriers to adoption.

8. Clarify program structure, delivery, and evolution

The Plan should provide a clear description of how HVAC and hot water programs are structured and delivered. This includes:

- Description of program pathways (e.g., prescriptive, upstream/midstream, custom)
- Overview of available measures and eligibility criteria
- Explanation of how program design reflects prior experience and evolving market conditions

Providing this clarity will support understanding of how the program is expected to perform over the Plan period.

RESIDENTIAL CONSUMER PRODUCTS

Residential Consumer Products programs provide an important pathway for delivering energy savings through high-volume, lower-cost measures that can be deployed with relatively low customer effort. These programs can play a valuable role in expanding participation, supporting market transformation, and reinforcing broader program objectives.

The Council expects the 2027–2029 Plan to present a clear strategy for how consumer product offerings are designed, delivered, and integrated within the broader residential portfolio.

Key Priorities and Recommendations

1. Expand the use of upstream and midstream delivery channels

Consumer products are particularly well suited for upstream and midstream delivery approaches, which can streamline customer participation and improve program efficiency. The Plan should describe:

- Which products are currently delivered through upstream or midstream channels
- The rationale for selecting delivery mechanisms
- Opportunities to expand upstream or midstream approaches where they may improve customer experience or program performance

Expanding these delivery channels can reduce customer burden, increase uptake, and support broader market transformation goals.

2. Assess the effectiveness of the online marketplace

The Plan should provide greater transparency regarding the role, cost, and effectiveness of the online marketplace as a delivery channel for consumer products. This includes:

- A description of how the online marketplace contributes to overall product sales and program participation
- Assessment of the extent to which the marketplace supports customer engagement beyond individual purchases, including connections to other program offerings
- Information on the costs associated with operating the marketplace, relative to the benefits delivered

To the extent possible, the Plan should distinguish between outcomes associated with products delivered through the online marketplace and those delivered through other channels, in order to better understand the value proposition of the marketplace as a program component.

Providing this information will support a clearer understanding of how the marketplace contributes to program goals and whether it represents an effective and efficient delivery mechanism.

3. Support participation and customer engagement

Consumer products programs can serve as a low-barrier entry point for customers who may not otherwise engage with energy efficiency offerings. The Plan should describe how these programs:

- Increase accessibility and participation across customer segments
- Support broader outreach and engagement strategies
- Provide opportunities to connect customers to additional programs over time

This role is particularly important in supporting participation among customers who may be less likely to pursue more comprehensive program offerings.

4. Ensure alignment with other program offerings

Consumer products programs should be coordinated with other program offerings to support a cohesive customer experience. The Plan should describe how:

- Consumer product participation is connected to other programs where appropriate
- Customers are guided toward additional opportunities following initial engagement
- Program design avoids redundancy or overlap across offerings

This coordination will help ensure that consumer products contribute to overall portfolio effectiveness.

5. Maintain relevance of product offerings

The Plan should describe how product offerings are evaluated and updated over time to reflect evolving technologies and market conditions. This includes:

- Identification of priority product categories
- Consideration of emerging technologies where appropriate
- Processes for updating offerings based on performance, evaluation findings, and market trends

Maintaining relevant offerings is important to ensuring continued participation and program effectiveness.

RESIDENTIAL NEW CONSTRUCTION

Residential new construction programs provide a unique opportunity to influence building performance at the point of design and installation, when decisions can have long-lasting implications for energy use, emissions, and customer costs. Unlike retrofit programs, new construction efforts establish the baseline characteristics of buildings and systems that may persist for decades.

As such, these programs play an important role in supporting the State's long-term energy and climate objectives, as well as in preparing the market for evolving building standards and technologies.

The Council expects the 2027–2029 Plan to present a clear, forward-looking strategy for residential new construction that reflects both current market conditions and the State's long-term direction toward higher-performance and lower-emission buildings.

Key Priorities and Recommendations

1. Align program design with State policy goals and establish a pathway toward an all-electric new construction program

The Council expects the Plan to describe how residential new construction programs support high-performance building outcomes and align with Rhode Island's long-term emissions reduction requirements under the Act on Climate, as informed by the State's Climate Action Plan.

Given the long-lived nature of new construction investments, program design plays a critical role in shaping future energy use and emissions. The Plan should therefore demonstrate how near-term program decisions are aligned with a long-term transition toward lower-emission building systems, including consideration of all-electric building approaches. This includes:

- Identification of pathways that encourage or support all-electric building design, where feasible
- Description of how program offerings and incentive structures evolve over time to reflect this transition
- Consideration of how equipment and system choices influence long-term emissions and retrofit needs
- Description of how program design avoids or minimizes investment in long-lived fossil fuel-dependent systems that may be inconsistent with long-term climate objectives

The Plan should also provide a forward-looking roadmap that outlines how the program may transition over time, including how emerging market conditions, policy developments, and program experience will inform that evolution.

2. Clarify relationship to building codes and evolving market baselines

The Plan should clearly describe how the new construction program interacts with:

- Current building energy codes, including recent updates such as IECC 2024
- Anticipated future code developments or stretch codes
- Prevailing market practices

This includes:

- Defining the baseline against which program incentives are offered
- Explaining how code changes influence eligible measures, incentive structures, and claimable savings
- Describing how the program adapts over time as codes and market practices evolve

Providing this clarity is important to understanding the incremental value of program interventions.

3. Support market readiness for high-performance and net-zero buildings

The Plan should describe how program design supports ongoing market transformation, including preparation for increasingly stringent building performance expectations. This includes:

- Supporting adoption of advanced building practices and technologies
- Engaging builders and design professionals in forward-looking approaches
- Preparing the market for continued movement toward high-performance or net-zero construction standards, where applicable

These efforts will help ensure that new construction programs contribute to a sustained evolution of market practices.

4. Engage builders, developers, and design professionals

Effective delivery of new construction programs depends on strong engagement with builders, developers, and design professionals. The Plan should describe:

- Outreach and engagement strategies for these stakeholders
- Technical assistance or design support
- How program requirements and expectations are communicated

These efforts are important to supporting adoption of high-performance building practices at scale.

BEHAVIOR PROGRAMS

Behavioral programs are designed to influence customer energy use through information, feedback, and engagement strategies, typically without requiring the installation of capital equipment. These programs—most commonly delivered through Home Energy Reports (HERs)—have historically provided a scalable, cost-effective means of delivering energy savings across a broad customer base.

Recent program changes, including the shift toward electronic-only delivery and indications that HERs may evolve beyond their traditional format, highlight the need for the Plan to clearly articulate the future role and structure of behavioral programs within the portfolio.

The Council expects the 2027–2029 Plan to present a forward-looking strategy that reflects both the demonstrated value of existing approaches and the opportunity to evolve behavioral programs to better align with emerging priorities.

Key Priorities and Recommendations

1. Clarify the future role of behavioral programs

The Plan should clearly describe the expected trajectory of behavioral programs over the Plan period, including the future role of Home Energy Reports. This includes:

- The extent to which traditional HERs will continue, be modified, or be replaced
- The rationale for recent or proposed changes in program design (including delivery methods)
- How lessons learned from prior program performance are informing future direction

Behavioral programs have historically delivered consistent savings at scale, particularly when deployed over multiple years. The Plan should demonstrate how future program design builds on this foundation while adapting to changing program objectives.

2. Define and implement a strategy for next-generation behavioral programs

The Plan should describe how behavioral programs will evolve to reflect advances in technology, data availability, and policy priorities. This includes consideration of "next-generation" behavioral approaches, such as:

- High bill alerts or targeted notifications
- Peak-focused or load-shaping behavioral programs
- More frequent or real-time feedback enabled by AMI
- Targeted or segmented messaging based on customer characteristics

The Plan should describe how these approaches will be evaluated, prioritized, and incorporated into the portfolio over time.

3. Maintain a balanced approach between continuity and innovation

While behavioral programs are expected to evolve, the Plan should ensure that existing program strengths are not prematurely displaced without a clear understanding of the implications. This includes:

- Recognizing the role of traditional HERs in delivering consistent savings
- Ensuring that transitions to new approaches are supported by data and evaluation
- Avoiding abrupt changes that may reduce program effectiveness or customer engagement

A balanced approach that combines continuity with measured innovation will help maintain program performance while enabling long-term evolution.

4. Strengthen integration with other program objectives

Behavioral programs should continue to support broader portfolio objectives by:

- Encouraging participation in other energy efficiency offerings
- Supporting demand response and load management
- Providing targeted information to customers with high usage or high energy burden

The Plan should describe how behavioral programs are used as a cross-cutting engagement and targeting tool, rather than as a standalone offering.

6. COMMERCIAL & INDUSTRIAL PROGRAMS

Commercial and Industrial (C&I) programs are a critical component of the energy efficiency portfolio, delivering a significant share of total energy savings and providing opportunities to achieve large, cost-effective impacts across a diverse set of facilities and end uses. These programs must address the complexity of customer needs, project economics, and decision-making processes while continuing to deliver measurable and scalable results.

The Council expects the 2027–2029 Plan to present a clear and actionable strategy for C&I programs that reflects evolving market conditions, including declining savings from traditional measures, increasing importance of system-level improvements, and growing opportunities to support system reliability objectives.

The Plan should demonstrate how C&I programs are designed to:

- Support efficient and predictable project development across a range of customer types and project sizes
- Capture deeper, more comprehensive savings through system-level and integrated solutions
- Align program delivery with customer decision-making processes and capital planning cycles
- Leverage data, analytics, and targeted approaches to improve participation and outcomes
- Contribute to broader system objectives, including demand response, load management, and integration with SRP activities

In this context, the Council expects the Plan to provide clarity on how different program offerings—such as custom projects, prescriptive and midstream programs, commissioning and optimization, and small business programs—work together as a coordinated portfolio. This includes demonstrating how program design and delivery approaches evolve over time to reflect changing technologies, market opportunities, and system needs.

CUSTOM OFFERINGS

Commercial & Industrial (C&I) custom offerings are a cornerstone of Rhode Island's energy efficiency portfolio, particularly for delivering savings in large, complex facilities where prescriptive measures are not sufficient to capture available opportunities. These programs are uniquely positioned to deliver large, project-based savings across a wide range of end uses and customer types, including commercial buildings, industrial facilities, and institutional customers.

At the same time, custom offerings are inherently more complex than other program types, requiring detailed project development, engineering analysis, and coordination between customers, vendors, and program administrators. As a result, these offerings are highly sensitive to process design and implementation. The Council expects the Plan to provide clarity on key factors that influence participation and program performance, including project timelines, administrative processes, transaction costs, and customer decision-making.

Recent evaluation findings and stakeholder feedback have further reinforced these concerns, indicating that current program structures may inhibit rather than facilitate project development in some cases. Given the increasing importance of non-lighting savings and deeper, system-level improvements, the

performance of custom C&I offerings is likely to be a critical determinant of portfolio success in the 2027–2029 period.

The Council therefore expects the Plan to present a more comprehensive and actionable strategy to improve the accessibility, efficiency, and effectiveness of custom C&I offerings, with a particular focus on reducing barriers to project development, improving throughput, and increasing realized savings.

Key Priorities and Recommendations

1. Address process complexity and reduce project development barriers

The Council expects the Plan to directly address longstanding concerns regarding complexity and administrative burden within custom offerings. These issues have been consistently identified as major barriers to participation and have been linked to delays, dropped projects, and reduced customer satisfaction. The Plan should clearly describe:

- The current end-to-end project process, including major steps, timelines, and decision points
- Key pain points identified through evaluation studies, customer feedback, and trade ally input
- Specific process improvements intended to reduce transaction costs and improve project flow

This may include streamlining application requirements, reducing redundant review steps, clarifying documentation requirements, and improving coordination between program actors. The goal should be to create a process that is predictable, transparent, and efficient, particularly for repeat participants and experienced vendors.

2. Improve project timelines and clarity for customers

Long and uncertain project timelines have been identified as a significant deterrent to participation in custom offerings, particularly for commercial and industrial customers operating under tight capital planning cycles. The Plan should provide a clear strategy for improving both the speed and predictability of project development. This includes:

- Establishing expected timelines for key stages of the process (e.g., application review, approval, installation, payment)
- Identifying factors that contribute to delays and how they will be addressed
- Providing clearer communication to customers regarding process expectations and timelines

Improving project certainty is particularly important for ensuring that energy efficiency projects can successfully compete with other capital investments.

3. Strengthen alignment with customer decision-making and capital cycles

Custom offerings should be designed to align more closely with how C&I customers plan and execute capital investments. The Plan should describe how programs:

- Engage customers earlier in the decision-making process
- Provide support during capital planning and budgeting cycles
- Offer flexibility to accommodate different project timelines and business needs

Programs that are not aligned with customer decision-making processes are less likely to capture available savings opportunities, particularly for larger and more complex projects.

4. Enhance delivery models and program management

The Plan should provide a clear description of how delivery models and program management approaches support effective and efficient program implementation across customer segments. This includes:

- Description of the primary delivery models used across programs (e.g., prescriptive, custom, upstream, midstream, or hybrid approaches)
- Explanation of how delivery pathways are selected based on customer type, measure complexity, and project characteristics
- Identification of opportunities to streamline processes and improve the customer and contractor experience

The Plan should also describe how program management practices support:

- Timely project development and completion
- Coordination across program offerings and delivery channels
- Consistent application of program requirements and processes

Providing this clarity will help demonstrate how program design and delivery approaches contribute to participation, cost-effective project completion, and overall portfolio performance.

5. Integrate evaluation findings into program design

Custom program design should reflect lessons learned from recent evaluations, including process evaluations and participant studies. The Plan should:

- Identify key findings from relevant evaluation studies
- Describe how those findings are being incorporated into program improvements
- Clearly explain any decisions not to adopt evaluation recommendations

This is particularly important for issues related to process design, customer experience, and program accessibility, which have been repeatedly identified in prior studies.

6. Support deeper, system-level savings opportunities

As traditional sources of savings decline, custom offerings will play an increasingly important role in delivering deeper, system-level improvements. The Plan should describe how programs will:

- Encourage comprehensive projects, rather than isolated or incremental measures
- Support integrated system upgrades (e.g., HVAC systems, process improvements, controls)
- Capture savings opportunities identified through audits, SEM, or commissioning efforts

This may also include coordination with other offerings, such as EBCx or SEM, to move customers along a continuum from assessment to implementation.

7. Improve tracking of project pipeline and outcomes

Finally, the Plan should include a more robust framework for tracking and managing the project pipeline. This should include:

- Tracking of projects at different stages (e.g., proposed, approved, in progress, completed)
- Identification of drop-off points and reasons for non-completion
- Metrics related to project timelines, realized savings, and program throughput

Improved visibility into the project pipeline is essential for identifying bottlenecks and ensuring that program performance aligns with expectations.

LIGHTING AND CONTROLS

Lighting has historically been one of the largest and most reliable sources of energy savings within the Commercial & Industrial (C&I) portfolio. However, due to market transformation, regulatory changes such as the mercury lighting ban, and widespread adoption of LED technologies, traditional retrofit lighting opportunities have declined significantly in recent years.

This shift represents a structural change in the portfolio, requiring a transition from a focus on basic lighting retrofits toward more advanced opportunities, including lighting optimization, advanced controls, and integration with broader building systems. While the volume of legacy lighting savings may be diminishing, significant opportunities remain, particularly in the areas of lighting controls, system optimization, and remaining LED-to-LED upgrades.

The Council expects the Plan to reflect the evolving role of lighting within the portfolio, including how controls are integrated and how savings are characterized. The Plan should also describe a clear, forward-looking strategy for lighting and controls programs to ensure that remaining opportunities are effectively captured in support of cost-effective savings and broader system objectives.

The Council expects the 2027–2029 Plan to provide a deliberate and forward-looking approach to lighting and controls, with a focus on maximizing remaining savings opportunities, expanding the use of controls, and integrating lighting into broader system optimization strategies.

Key Priorities and Recommendations

1. Reframe lighting as a platform for controls and system optimization

As traditional retrofit opportunities decline, the Council expects the Plan to shift its focus toward lighting as a platform for broader system optimization. The Plan should describe how lighting programs will:

- Serve as an entry point for deploying advanced lighting controls
- Enable integration with building management systems and other controls-based strategies
- Contribute to operational improvements and load management, in addition to energy savings

This reframing is critical to ensuring that lighting continues to play a meaningful role within the portfolio.

2. Expand and prioritize advanced lighting controls

Advanced lighting controls represent one of the most significant remaining opportunities within this program area. These controls can deliver energy savings, improve occupant comfort, and provide additional benefits such as demand reduction and operational flexibility. The Plan should provide a clear strategy for expanding the adoption of controls, including:

- Identification of target building types and applications where controls are most effective
- Description of control strategies (e.g., occupancy sensors, daylighting, networked systems)
- Integration of controls into both retrofit and new construction contexts

3. Ensure accurate characterization and valuation of controls savings

The Council is concerned that current approaches to measuring and presenting lighting-related savings may understate the value of controls, particularly when they are treated separately from lighting measures or not fully captured in savings estimates. The Plan should:

- Clearly describe how savings from controls are calculated and reported
- Ensure that methodologies reflect the full value of controls interventions
- Avoid structural biases that may undervalue or disincentivize control installations

Accurate characterization of savings is essential not only for evaluation purposes, but also for ensuring that program design appropriately prioritizes high-value interventions.

4. Address remaining LED-to-LED optimization opportunities

While much of the transition to LED lighting has already occurred, the Council expects the Plan to assess and pursue remaining opportunities for:

- LED-to-LED upgrades that deliver meaningful efficiency gains
- Reconfiguration or optimization of existing lighting systems
- Improvements in lighting design and performance

The Plan should provide a clear assessment of these opportunities and describe how they will be incorporated into program offerings.

5. Integrate lighting with broader building systems and programs

Lighting controls should be integrated with broader efforts related to building systems, including HVAC optimization, commissioning, and energy management. The Plan should describe how lighting programs:

- Coordinate with commissioning and EBCx efforts
- Interface with building analytics and control systems
- Contribute to whole-building optimization strategies

This integration is important for capturing synergies and delivering more comprehensive savings.

6. Align lighting programs with demand response and system needs

Lighting and controls can also support system reliability objectives, particularly through demand reduction and load management. The Plan should consider how:

- Advanced lighting controls can be used to reduce load during peak periods
- Lighting systems can be integrated with demand response programs
- Program design supports both energy savings and system-level benefits

This coordination is increasingly important as demand-side resources are relied upon to address system needs.

7. Clarify program structure and evolution

The Plan should provide a clear explanation of how lighting and controls programs are structured and how they have evolved in response to changing market conditions. This includes:

- Description of current program offerings and delivery pathways
- Explanation of changes relative to prior Plans
- Discussion of how declining lighting opportunities are being addressed

Providing this context is essential for understanding how the program is adapting and what role it will play going forward.

8. Strengthen performance tracking and forward-looking planning

Finally, the Plan should include a clear framework for tracking performance and planning for continued evolution of the program. This should include:

- Measure-level participation and savings
- Adoption rates for controls and advanced systems
- Assessment of remaining market potential

The Plan should also describe how performance data will be used to refine program strategy over time.

COMMISSIONING, OPTIMIZATION, AND EXISTING BUILDING COMMISSIONING

Commissioning, optimization, and existing building commissioning (EBCx) represent a critical and growing component of the Commercial & Industrial (C&I) energy efficiency portfolio. As traditional sources of savings—particularly lighting—continue to decline, strategies focused on controls, analytics, and system optimization are expected to play an increasingly important role in delivering cost-effective savings and supporting long-term system performance.

These approaches focus on improving the operation of existing building systems—such as HVAC, lighting, and controls—through a combination of data analysis, system tuning, and operational improvements. In addition to energy savings, these strategies can deliver a range of co-benefits, including improved comfort, enhanced system reliability, and better alignment with demand response and grid needs.

In prior planning cycles, Rhode Island Energy has offered a range of programs and services that fall within this category, including building analytics, monitoring-based commissioning, and Strategic Energy Management (SEM) offerings. However, recent evaluation findings have indicated that these offerings are not currently structured or managed in a way that fully captures their potential value. In particular,

evaluations have identified challenges related to program oversight, delivery consistency, and the absence of a clearly defined and coordinated EBCx strategy.

The Council therefore expects the 2027–2029 Plan to present a more comprehensive, structured, and programmatic approach to commissioning and optimization, including the development of a dedicated existing building commissioning (EBCx) offering with clear implementation timelines and performance expectations.

Key Priorities and Recommendations

1. Establish a dedicated and comprehensive EBCx program

The Council strongly recommends that the Plan include the development and implementation of a dedicated EBCx program that consolidates and builds upon existing offerings related to commissioning, analytics, and optimization. This program should:

- Be clearly defined as a standalone offering within the C&I portfolio
- Incorporate elements of existing building commissioning, monitoring-based commissioning, and analytics-driven optimization
- Provide a structured and consistent approach to delivering services across different building types and customer segments

The Council expects the Plan to include a clear timeline for this effort, including:

- Program design and procurement activities that took place in 2026
- Full program launch no later than mid-2027
- Defined expectations for participation and savings over the remainder of the plan period

Given the importance of this resource, the absence of a structured EBCx program would represent a missed opportunity to capture significant and cost-effective savings.

2. Strengthen program management, oversight, and delivery consistency

Evaluation findings have highlighted the need for stronger program management and oversight within EBCx-type offerings. The Plan should address this by:

- Assigning clear responsibility for program management and implementation
- Defining roles and responsibilities across program administrators, implementers, and vendors
- Establishing consistent delivery protocols and service standards

The Council expects the Plan to describe how delivery will be managed to ensure consistency in performance and outcomes, particularly given the complexity of commissioning and optimization activities.

3. Clarify the customer journey and implementation pathway

Commissioning and optimization programs often involve multiple stages, including data analysis, identification of opportunities, implementation of measures, and ongoing monitoring. The Plan should clearly describe the customer journey for EBCx programs, including:

- How buildings are identified and recruited
- How opportunities are assessed and prioritized
- How recommended measures are implemented and tracked over time

This end-to-end clarity is essential for ensuring that identified opportunities translate into realized savings, rather than remaining purely analytical exercises.

4. Integrate EBCx with custom programs and other C&I offerings

Commissioning and optimization should not function as isolated activities. Instead, they should be integrated with other program offerings, particularly custom programs and retrofit initiatives. The Plan should describe how:

- Opportunities identified through commissioning are transitioned into custom project pipelines
- Coordination occurs between different program offerings to support implementation
- Customers are supported in moving from assessment to action

This integration is critical to ensuring that the insights generated through commissioning activities result in actual energy savings.

5. Leverage data, analytics, and AMI capabilities

EBCx programs are increasingly data-driven and benefit from the use of advanced tools and technologies to identify opportunities, support implementation, and verify performance. The Plan should describe how:

- Building-level data, including interval data where available, are used to identify opportunities
- Analytics platforms are utilized to monitor performance and identify anomalies
- AMI data are incorporated where appropriate to support targeting and analysis

The Council expects the Plan to move beyond conceptual discussions of data and provide a clear description of how these capabilities will be operationalized within commissioning programs.

6. Support persistence of savings and continuous optimization

One of the key advantages of commissioning and optimization programs is their ability to deliver persistent and sustained savings over time. The Plan should describe how programs will:

- Ensure that implemented measures continue to perform as intended
- Provide ongoing monitoring and re-optimization where needed
- Track and report on persistence of savings

This is particularly important for distinguishing EBCx programs from one-time retrofit projects.

7. Align commissioning and optimization with system and demand response objectives

Commissioning and optimization programs have strong potential to support system reliability and demand response objectives by improving system performance and enabling more flexible and responsive building operations. The Plan should:

- Identify opportunities to align commissioning activities with demand response programs
- Describe how optimized systems can contribute to peak load reduction and improved load management
- Integrate relevant strategies with SRP planning efforts

This alignment will help maximize the system value of commissioning investments.

SMALL BUSINESS PROGRAMS

Small business programs are a critical component of the Commercial & Industrial (C&I) portfolio, providing accessible and streamlined pathways for smaller customers to participate in energy efficiency programs. These customers often lack the time, capital, and technical expertise required to pursue more complex program offerings, making simplified and turnkey solutions essential.

At the same time, small businesses represent a large and diverse customer segment with significant untapped efficiency potential. Many of these customers face persistent barriers to participation, including limited awareness of programs, competing business priorities, and challenges navigating program requirements. As a result, questions remain regarding the extent to which small business programs are reaching the full eligible market and delivering meaningful outcomes..

In prior planning cycles, the Council and its consultants have identified limitations in how small business program performance is measured and evaluated, particularly with respect to participation metrics and targeting. In addition, there is an opportunity to strengthen coordination with external partners and improve the integration of small business offerings within the broader portfolio.

The Council expects the 2027–2029 Plan to present a more comprehensive and analytically grounded approach to small business programs, with a focus on improving market reach, strengthening delivery effectiveness, and ensuring that outcomes are measured in a meaningful and transparent way.

Key Priorities and Recommendations

1. Shift from participation counts to participation rates and market reach

The Council has consistently noted that participation counts alone are insufficient to evaluate the effectiveness of small business programs. Reporting the number of participants—whether in aggregate or within specific geographies—does not provide insight into how much of the eligible market is being reached. The Plan should therefore:

- Clearly define the total eligible small business population, including segmentation by geography, industry, or other relevant characteristics
- Report participation rates, not just counts, including comparison across customer segments
- Track participation over time to assess whether gaps are growing or narrowing

This approach is particularly important for understanding whether programs are effectively serving small businesses, especially those in Environmental Justice Communities and other priority groups.

2. Improve targeting and outreach strategies

The Council expects the Plan to provide a detailed and intentional approach to targeting and outreach for small business customers. The Plan should describe how:

- Priority customer segments are identified, including underserved businesses and those with high energy usage
- Outreach strategies are tailored to different types of businesses
- Data are used to support targeting

In addition, the Plan should include a clearer discussion of how outreach efforts translate into participation, including the role of contractors, partners, and marketing channels.

3. Strengthen coordination with external partners

Small business programs often rely on partnerships with organizations such as CommerceRI, chambers of commerce, and other community-based entities. The Plan should provide greater specificity on how these partnerships are structured and evaluated. This includes:

- Clear description of partner roles in outreach, lead generation, and project support
- Metrics to evaluate the effectiveness of partnership activities (e.g., number of leads generated, projects completed through coordinated efforts)
- Strategies for expanding or refining partnerships where needed

The Council expects the Plan to distinguish between outcomes driven by specific partnership activities and broader program trends.

4. Enhance delivery pathways and reduce customer friction

Small business programs are most effective when they minimize the burden on participating customers. The Plan should describe how delivery pathways are designed to:

- Provide straightforward, turnkey solutions (e.g., direct install offerings)
- Reduce administrative requirements and complexity
- Ensure that customers can move quickly from initial engagement to completed projects

The Plan should also address any known bottlenecks in the delivery process and identify strategies for improving conversion rates and project completion timelines.

5. Increase depth and impact of interventions

While small business programs often prioritize simplicity and ease of participation, the Council encourages the Company to also consider the depth and impact of measures delivered. The Plan should describe:

- The typical scope of services provided to participating businesses
- Opportunities to increase savings per participant where feasible
- Strategies for connecting small business customers to additional offerings (e.g., custom projects, demand response)

This is important to ensure that the program delivers meaningful energy and cost savings, rather than relying primarily on high participation levels.

6. Clarify program evolution and response to prior findings

The Plan should describe how small business program design has evolved in response to prior evaluations, stakeholder input, and program experience. This includes:

- Identification of key insights from recent evaluations or program performance data
- Description of how those insights have informed changes to program structure, delivery, or targeting
- Explanation of any recommendations that were not adopted and the rationale for those decisions

Providing this context will support a clearer understanding of how the program is adapting over time and whether identified opportunities for improvement are being addressed.

7. EVALUATION, MEASUREMENT, AND VERIFICATION

The Evaluation, Measurement, and Verification (EM&V) Plan plays a central role in ensuring that energy efficiency and demand-side investments deliver measurable, cost-effective, and equitable outcomes. As the energy efficiency portfolio evolves—becoming more reliant on complex measures, targeted interventions, and integrated demand-side strategies—the importance of a robust and well-integrated EM&V framework continues to grow.

In the context of a binding three-year plan, EM&V also takes on an expanded role in supporting mid-course corrections, performance accountability, and data-driven decision-making. Without a strong and clearly defined feedback loop between evaluation findings and program design, there is a risk that underperformance or design issues could persist over multiple years without timely resolution.

Several common limitations in EM&V planning and integration can affect the clarity and effectiveness of program evaluation. The Plan should address these areas, including:

- Transparency into how evaluation studies are selected and prioritized
- Consistent tracking of evaluation recommendations and their implementation
- Clear linkage between evaluation findings and program design changes
- Appropriate balance between production metrics and outcome-focused performance measures

The Council expects the 2027–2029 Plan to address these issues by establishing a more transparent, integrated, and outcome-oriented EM&V framework that supports both accountability and continuous improvement across the full plan period.

Key Priorities and Recommendations

1. Strengthen the feedback loop between EM&V and program design

The Council expects the EM&V Plan to establish a clear and structured process for incorporating evaluation findings into program design and implementation. The Plan should describe:

- How evaluation results are reviewed and communicated to program design and implementation teams
- How recommendations are prioritized and incorporated into program updates
- The timelines under which changes are expected to occur

This is particularly important in a three-year plan context, where program adjustments must be made within the plan period rather than deferred to future filings.

Evaluation should not function as a retrospective exercise alone; it should serve as an active input into program management and decision-making.

2. Establish a formal tracking framework for evaluation recommendations

The Council expects the Plan to include a systematic approach for tracking evaluation findings and recommendations over time. This should include:

- A comprehensive inventory of recommendations from recent evaluation studies
- Identification of whether each recommendation has been adopted, partially adopted, or not adopted
- A clear explanation of how adopted recommendations are being implemented
- Justification for recommendations that are not adopted

This tracking framework should be regularly updated and made available as part of Plan reporting. Without such a system, it is difficult to assess whether evaluation findings are meaningfully influencing program design.

3. Improve transparency in study selection and prioritization

The EM&V Plan should provide clarity on how evaluation studies are selected and prioritized. The Plan should describe:

- The process for identifying evaluation needs
- Criteria used to prioritize studies (e.g., program size, uncertainty, risk, policy relevance)
- The role of stakeholder input in shaping the evaluation agenda

In addition, the Plan should identify:

- Studies included in the EM&V Plan
- Studies considered but not included, along with rationale

This transparency is essential to ensure that evaluation resources are being allocated to the areas of greatest need and impact.

4. Leverage AMI and advanced data capabilities in EM&V

The increasing availability of AMI and other data resources creates significant opportunities to enhance EM&V practices. The Plan should describe how:

- AMI data will be used to improve measurement of savings and customer behavior
- Evaluation approaches will evolve to incorporate interval data and more granular analysis

- Data limitations and challenges will be addressed

The Council expects the EM&V Plan to move beyond conceptual discussions of AMI and provide a clear roadmap for how these capabilities will be incorporated into evaluation activities.

5. Support adaptive management within a three-year plan structure

Finally, the EM&V Plan should support the broader objective of adaptive management under the three-year plan. This includes:

- Identifying key metrics that will be monitored on an ongoing basis
- Establishing triggers or thresholds for program review or modification
- Aligning evaluation timelines with decision-making needs

Given the reduced frequency of formal plan filings, it is essential that EM&V activities are structured to support timely identification and correction of issues during the plan period.

8. SYSTEM RELIABILITY PROCUREMENT

The System Reliability Procurement (SRP) framework represents an important component in how Rhode Island plans for and procures resources needed to maintain system reliability. Under this framework, Rhode Island Energy develops an overarching System Reliability Procurement Plan (SRP Plan), supported by a set of more specific SRP Investment Proposals, which identify and advance particular solutions to address identified system needs.

The SRP Plan generally serves to:

- Identify current and future system reliability needs
- Outline the analytical framework for evaluating potential solutions
- Describe how different resource types—including supply-side resources, energy efficiency, demand response, and other distributed energy resources—are considered within system planning

SRP Investment Proposals are the primary vehicle through which specific resources are advanced within this framework. These proposals are expected to provide detailed descriptions of proposed solutions, including:

- The nature of the resource or program
- Expected system impacts (e.g., peak demand reduction, load flexibility)
- Cost-effectiveness and ratepayer impacts
- Implementation pathways and timelines

Within this structure, active demand response programs—such as ConnectedSolutions or similar offerings—are expected to be developed and filed as SRP Investment Proposals. These programs are designed to reduce or shift customer load during periods of system stress and are therefore directly aligned with the core objectives of the SRP framework.

At this time, active demand response programs represent the most clearly defined and developed category of SRP Investment Proposals, and may be the only such proposals advancing in the near term. However, the Council expects that over time, the framework identified in the SRP Plan will identify and result in other investment proposals that address system reliability

Given this context, the Council's priorities for the SRP framework are intended to:

- Ensure that the SRP Plan establishes a clear, transparent, and analytically sound foundation for evaluating resources
- Support the development of targeted, high-impact demand response programs as a core component of SRP activity
- Promote alignment and integration between SRP investments and energy efficiency programs, recognizing that these resources are complementary components of a unified demand-side portfolio

The sections that follow provide more detailed priorities and recommendations for both the SRP Plan as a whole and for SRP investment proposals, including active demand response programs.

SRP PLANS AND INVESTMENT PROPOSALS

System Reliability Planning (SRP) plays a critical role in ensuring that demand-side resources are evaluated and deployed as viable alternatives to traditional infrastructure investments. As system needs evolve, SRP provides the framework through which reliability needs are identified, resource options are evaluated, and investment decisions are advanced.

The Council expects the 2027–2029 Plan to clearly demonstrate that SRP is structured not only to assess system needs, but also to advance actionable investment pathways, including non-wires and non-pipe alternatives where they are cost-effective and capable of addressing identified constraints.

Key Priorities and Recommendations

1. Ensure a clear linkage between SRP analysis and actionable investment pathways

The Plan should clearly describe how SRP activities lead to specific, implementable solutions, including:

- How identified system needs translate into defined solution opportunities
- How those opportunities are screened for demand-side and non-infrastructure solutions
- How investment proposals emerge from SRP analysis, including timelines and decision points

This includes ensuring that SRP functions as a gateway to investment development, rather than solely as an analytical exercise.

2. Ensure robust consideration of non-wires and non-pipes alternatives

The Council expects the Plan to demonstrate that non-wires and non-pipe alternatives are consistently and rigorously evaluated as potential solutions to system needs. The Plan should describe:

- The criteria and screening processes used to identify NWA/NPA opportunities

- How demand-side and distributed resources are evaluated relative to traditional infrastructure options
- How cost-effectiveness, system value, and risk are compared across solution types
- How the utility ensures that potential non-infrastructure solutions are not screened out prematurely

Providing this clarity will help ensure that all viable options are considered on a comparable basis.

3. Address structural and process factors that influence investment decisions

The Plan should describe how SRP planning and decision-making processes account for factors that may influence the selection of solutions. This includes:

- How planning processes support balanced consideration of demand-side and supply-side investments
- How internal processes, timelines, and incentives align with the identification and advancement of non-infrastructure solutions
- How competing solution types are evaluated using consistent assumptions and methodologies

This transparency is important to understanding how SRP outputs translate into actual investment decisions.

4. Advance demand-side resources as system solutions

The Plan should clearly describe how demand-side resources are developed and deployed as targeted system solutions, including:

- Energy efficiency and demand response programs designed to address specific system constraints
- Commissioning, optimization, and load management strategies that improve system performance
- Behavioral and pricing-based approaches that support load shifting and peak reduction

The Plan should describe how these resources are:

- Targeted geographically or temporally based on system needs
- Coordinated with program design and delivery
- Evaluated for both energy and system reliability impacts

5. Support development of virtual power plants and aggregated resources

The Plan should describe how SRP activities support the development and integration of aggregated demand-side resources, including virtual power plants (VPPs). This includes:

- Identifying opportunities to aggregate distributed resources (e.g., demand response, storage, EVs, smart thermostats) to address system needs
- Describing how VPPs or similar constructs are evaluated as system resources

- Explaining how program offerings, incentives, and technologies support resource aggregation and dispatchability

As system needs become more dynamic, these approaches may provide flexible, scalable alternatives to traditional infrastructure.

6. Provide transparency into analytical methods and assumptions

The Plan should provide clear information on:

- Analytical methods used to identify system needs and evaluate solutions
- Key assumptions related to load growth, electrification, and resource performance
- How uncertainty and variability are incorporated into planning

This transparency is important to understanding how SRP results are developed and how different resource options are evaluated.

7. Track outcomes and refine approaches over time

The Plan should describe how SRP-informed investments are evaluated over time, including:

- Tracking of implemented solutions and system impacts
- Assessment of whether identified needs were effectively addressed
- Incorporation of lessons learned into future planning cycles

This will support ongoing refinement of SRP processes and ensure continued alignment with system needs.

ACTIVE DEMAND RESPONSE PROGRAMS

Active demand response programs are currently the most developed and concrete category of SRP Investment Proposals. These programs provide the ability to reduce or shift load during peak periods, making them a critical tool for addressing system reliability needs and managing peak demand.

The Council supports continued and expanded investment in demand response programs and emphasizes the need for increasingly more targeted, data-driven, and performance-oriented approaches.

Demand response programs should be designed as strategic and differentiated offerings, focused on delivering reliable system value while providing meaningful benefits to participating customers.

Key Priorities and Recommendations

1. Adopt a targeted, segment-specific program design

The Plan should balance wide-reaching demand response offerings with those that clearly define customer segments and use cases. This includes:

- Identification of high-value customer segments (e.g., large C&I, residential, small business)
- Targeting of specific end uses (e.g., HVAC, water heating, EV charging, process loads)
- Tailoring of program design and incentives to each segment

Targeting should be driven by system value and supported by data.

2. Leverage AMI and interval data for targeting and performance

Demand response programs should fully utilize available data resources to improve targeting and performance. The Plan should describe how:

- Customers with high peak demand are identified
- Load shapes are analyzed to design effective interventions
- Program performance is measured and refined over time

AMI data, in particular, should be central to program design and evaluation.

3. Integrate demand response with energy efficiency programs

Demand response and energy efficiency programs should be designed to function together as part of a unified demand-side strategy. The Plan should describe how:

- Customers engaged through EE programs are identified for DR participation
- Program offerings are coordinated to provide a seamless customer experience
- Measures are deployed in ways that maximize both energy and peak demand impacts

This integration is critical to maximizing overall portfolio effectiveness.

4. Define clear performance expectations and accountability mechanisms

Demand response programs should include clearly defined and measurable performance expectations. The Plan should specify:

- Expected peak load reduction (MW)
- Participation levels and retention rates
- Event frequency and duration
- Performance during actual dispatch events

The Plan should also describe how performance shortfalls will be identified and addressed.

5. Balance incentives with cost-effectiveness and long-term sustainability

The Plan should describe how incentive structures are designed to balance participation, performance, and cost-effectiveness. This includes:

- Justification for incentive levels
- Consideration of how incentives may evolve over time
- Assessment of program cost-effectiveness relative to alternatives

The goal should be to ensure that programs deliver sustained value to both participants and non-participants.

6. Expand the portfolio of demand response offerings

The Council expects the Plan to explore opportunities to expand beyond existing program models, including:

- New technologies and end uses
- Alternative program structures (e.g., behavioral DR, automated DR)
- Pilot programs for emerging approaches

Where new offerings are proposed, the Plan should provide clear descriptions of objectives, implementation pathways, and evaluation criteria.

9. CONCLUSION

These priorities are intended to guide development of the 2027–2029 Energy Efficiency and System Reliability Procurement Plans in a manner that is clear, actionable, and aligned with Rhode Island's policy objectives and system needs. In the context of a binding three-year plan, the Council expects a level of specificity and integration that supports not only effective planning, but also successful implementation over the full Plan period.

Taken together, the priorities outlined in this document emphasize the importance of:

- Translating high-level strategy into defined implementation pathways, including clear timelines, responsibilities, and expected outcomes
- Strengthening the use of data, analytics, and evaluation to inform program design, targeting, and continuous improvement
- Ensuring that program offerings function as a cohesive and coordinated portfolio, rather than as a collection of discrete initiatives
- Advancing both energy efficiency and demand-side resources as core components of a least-cost strategy for meeting customer and system needs

The Council also places particular emphasis on the need for greater alignment across:

- Energy efficiency programs and system reliability planning
- Program design and customer experience
- Evaluation activities and real-time program management
- Near-term investment decisions and long-term climate objectives

In this context, the Council expects the Plans to clearly demonstrate how identified opportunities are translated into actionable investments and measurable results, including through the development of targeted demand-side solutions, non-wires and non-pipe alternatives, and emerging approaches such as aggregated and flexible resources.

The Council recognizes that the 2027–2029 planning cycle introduces new complexities, including the transition to a binding three-year framework and the increasing role of demand-side resources in addressing system needs. At the same time, these changes present an opportunity to strengthen the effectiveness, transparency, and impact of the portfolio.

Accordingly, the Plans should provide a clear and comprehensive foundation for:

- Delivering cost-effective energy savings and bill impacts for customers
- Supporting system reliability and load management

- Advancing the State's greenhouse gas reduction requirements under the Act on Climate
- Ensuring equitable access to program participation and benefits across customer groups

Most importantly, the Plans must demonstrate how strategy, program design, and implementation work together to produce real, measurable, and sustained outcomes over the three-year period.

The Council looks forward to continued collaboration with Rhode Island Energy, the Office of Energy Resources, and other stakeholders to refine and implement these priorities, and to ensure that the 2027–2029 Plans deliver maximum value to Rhode Island customers.