

# 2023 Residential and Income Eligible Energy Efficiency Solutions and Programs

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## 1. Overview

The goal of the 2023 Plan is to support an equitable transition from inefficient homes to energy efficient homes by maximizing the potential of weatherization, heating/cooling/hot water systems, efficient appliances, and Wi-Fi controls, with a particular focus on customer segments that have been previously underserved. Attainment of the energy efficiency savings goal is supported through high-efficiency equipment and well-trained energy experts and service providers. This vision is for all homes to be well weatherized, have safe and efficient heating, cooling and hot water systems, encourage customers to see their home as a comprehensive system, and transform the residential new construction industry to a Zero Net Energy market. 2023 therefore builds on the transition away from lighting by concentrating on longer energy savings benefits in the residential portfolio and equitable access to the programs for all Rhode Island customers.

To achieve this vision, the Company will rely heavily on the findings of the participant, multifamily census, and non-participant studies that relied on survey data and interviews to identify opportunities to remove barriers to participation in the residential programs, improve program outreach, and reach customers who have previously been underserved. These findings have been integrated into the 2023 plan with the intention of increasing outreach and participation equitably in the state.

The detailed program descriptions provided in Attachment 1 offer a snapshot and evidence of how programs are continuously evolving, building from one Plan year to the next. It shows how high-level strategies are translated into specific actions and activities that secure savings for customers; help to contextualize specific program innovations and enhancements described only briefly in the main text of the Annual Plan; and demonstrate how key strategies cross multiple program designs and end use targets while cross promoting other programs.

### **What to look for in 2023**

The Company has focused heavily on weatherization, efficient heating, and equity across all residential programs. The elevation of these three critical areas reflects stakeholder priorities and opportunities identified during the planning process. The innovations and enhancements also reflect many ideas and insights that have evolved from the close collaboration with the Energy Efficiency & Resource Management Council (EERMC) and its consulting team, the Office of Energy Resources (OER), the Division of Public Utilities and Carriers (the Division), Technical Working Group Stakeholders, our vendors, and customer feedback. There are electric heat opportunities introduced in more programs and enhancements that make participation in multiple programs easier or more attractive, and reduced barriers to adoption of comprehensive measures.

Equity opportunities have been applied across all residential programs to ensure all Rhode Islanders have access to program opportunities. A Comprehensive Energy Efficiency Campaign will focus on increasing awareness in the state and will be conducted in several languages to engage more non-participating communities. Five specific communities, identified from the non-participant study, will be the focus of additional direct marketing and engagement to increase program activity. Low and no-cost opportunities will be communicated for customers including income eligible, moderate income, and landlord/renter opportunities. The Income Eligible Services (IES) program is working closely with the Company’s discount rate program to introduce newly enrolled customers on the discount rates to the income eligible efficiency program where 100% of energy upgrade costs are covered.

The residential programs support workforce development of high growth, long-term, energy jobs through trainings and education. This effort supports the shift to high performance homes and technologies, air source heat pump (ASHP) design and installation, and Zero Net Energy New Construction buildings. Trainings are planned to help expand the workforce and to support the emphasis on deeper home energy upgrades.

The Residential Energy Efficiency Programs have benefitted from the Rhode Island Builder’s Association (RIBA) and Residential Construction Workforce Partnership (RCWP) first cohort of weatherization focused training (completed in Spring 2022) with Energy Efficiency vendor partners hiring or in the process of hiring 42% of the class. The Energy Efficiency Programs support the RIBA and RCWP with curriculum development, weatherization specific trainings and mentorship. Support of this workforce development effort aligns with Least Cost Procurement’s (LCP) standard, which states, “The distribution company shall include wherever possible and practical partnerships with existing educational and job training entities.”

Inflation and equipment shortages are external factors that apply pressure to program cost effectiveness and affordability of the offerings to customers. The programs are adjusting to cost increases and working to adapt to equipment shortages, but the Company is impacted by global supply chain issues as are others nationally and worldwide.

**Residential and Income Eligible Programs**

The Company offers the below overarching programs to provide comprehensive services to two regulatorily defined sectors, market rate and income eligible:

*Table 1. Residential and Income Eligible Programs*

Market Rate Residential Sector	Income Eligible Sector
EnergyWise Single Family	Income Eligible Single Family
Multifamily	Income Eligible Multifamily

Market Rate Residential Sector	Income Eligible Sector
Residential New Construction	
Home Energy Reports	
Residential Consumer Products	
Residential High Efficiency Heating and Hot Water	
Residential Connected Solutions	

This attachment provides detailed descriptions of the residential energy efficiency and active demand programs, including detail on the market (customer/building types) targeted, eligibility requirements, offers, the implementation and delivery design, and new items for 2023. There are several programs where income eligible customers are still able to participate although the program is listed under market rate residential. Those programs include Residential New Construction, Residential Consumer Products, Residential High Efficiency Heating and Hot Water, Home Energy Reports, and Residential Connected Solutions.

**Program Description Structure**

In order to streamline review of program information in the 2023 Annual Plan, the Company has adopted the following structure for each of the programs:

- a. Description of offering
- b. Eligibility criteria
- c. Delivery
- d. Changes for 2023
- e. Other considerations/research

**2. EnergyWise Single Family (Electric and Gas)**

**2.1. Offerings**

EnergyWise offers comprehensive energy efficiency services using a whole-house approach to identify energy saving opportunities in all major energy systems and uses, including heating, cooling, water heating systems, appliances, lighting, water saving measures, plug loads, and building envelope leaks. 12,500 home energy assessments are planned for 2023. EnergyWise provides in-home services in two phases: home energy assessment and weatherization.

**Home Energy Assessment**

Continuing in 2023, customers will be able to choose whether to have an in-person assessment or a virtual home energy assessment (VHEA). Approximately two-thirds of customers have selected the in-person assessment over the VHEA.

During the in-home assessment, an energy specialist(s), a Building Performance Institute certified building analyst will look for immediate energy saving opportunities that can quickly be addressed during the visit as well as identify deeper, energy saving opportunities. Applying a comprehensive, whole-house approach, the energy specialist will evaluate all major energy systems including the heating and water heating systems, appliances, lighting, water saving measures, plug loads, and tightness of the building envelope (the roof, the basement, and the walls).

Virtual assessments were introduced in 2020. The virtual assessment provides multiple options to communicate energy savings information depending on customer familiarity with smart phone and video calling technologies. A video call can be used to guide the customer around their home so an energy specialist can assess the home's energy use. If the customer is not able to use video, the specialist will have the customer send in pictures (before or after the VHEA) of important areas such as the attic, heating and water heating system, and basement crawl spaces while walking through the assessment by phone. An Energy Action Plan is presented to the customer at the end of the assessment. The Energy Action Plan gives the customer a clear roadmap for upgrading their home, including a recommended path to weatherization (air-sealing, insulation, and duct sealing) and associated costs, including the company incentive and customer costs. The Energy Action Plan also provides the customer a streamlined path to engage a qualified independent insulation contractor to perform the weatherization work. The Energy Action Plan also details other potential energy upgrades and additional incentives the customer may be eligible for, including heating and hot water systems. Opportunities for financing the customer share of the weatherization (as well as other upgrades) are also provided at this time. If a customer accepts the Energy Action Plan recommendations and wants to move forward with weatherization, the customer signs a contract with the Lead Vendor. The work will then be assigned to a weatherization contractor who will contact the customer directly to schedule a date for weatherization work.

### **Weatherization**

The energy specialist's primary focus during an in-home assessment is to examine the opportunity to increase the home's building envelope through air sealing (decreasing air leaks), duct sealing, and increasing insulation, collectively referred to as "weatherization." Weatherization is a cost-effective way to improve a building's performance. It also offers customers a healthier and more comfortable home that will passively remain cooler in the summer and warmer in the winter, helping reduce energy bills for customers. Many health and safety considerations are addressed when weatherizing, such as adding attic ventilation or using mechanical fans to ensure a healthy air exchange rate. The basic EnergyWise incentive currently covers 50% -75% of the project cost depending on the customer's primary heating fuel. EnergyWise will continue with the 100% landlord weatherization incentive which encourages landlords to weatherize homes by removing any direct costs for the landlord. Renters then benefit with

lower energy bills and a more comfortable home. The program will also continue offering 100% moderate income incentives for customers with a household income up to 80% of State Median Income.

The EnergyWise evaluation completed in 2020, as well as additional research from prior assessments, identified a number of pre-weatherization barriers, generally health and safety or physical barriers, which prevent the continuation of weatherization until remediated. At this time, EnergyWise does not pay for remediation of the pre-weatherization barriers, nor are they included in the weatherization scope of work to be implemented by program contractors. The Company recognizes, however, that if a customer learns that additional work not included in the weatherization scope is required before weatherization can proceed, customers may become confused or disheartened. Therefore, the program provides a \$250 incentive to customers that certify that pre-weatherization barriers have been remediated by appropriate licensed professionals. Pre-weatherization costs for knob and tube wiring, vermiculite, and asbestos can be included in the HEAT Loan. Additionally, in 2022, the lead vendor began including more information on addressing pre-weatherization barriers for customers who face these constraints. This includes information on types of contractors to call (with a list of contractors for some barriers) and information on available grants and loans. The information packet also emphasizes the importance of addressing pre-weatherization barriers for reasons other than continuing with the weatherization process to further persuade customers to move forward with the process.

## 2.2. Eligibility Criteria

EnergyWise is the flagship in-home comprehensive energy efficiency offering for all Rhode Islanders in single family residences (defined as one to four units) that are not candidates for Income Eligible Services. All market rate customers with either an electric or gas Rhode Island Energy account can participate. Homeowners, renters, and landlords are all encouraged to participate. Customers with any heating fuel type, including delivered fuels, are served as long as they have a Rhode Island Energy account.

## 2.3. Implementation and Delivery

EnergyWise is delivered through a Lead Vendor model where the Lead Vendor provides assessments and schedules weatherization projects with the Independent Insulation Contractors that provide weatherization services (air sealing, duct sealing, and insulation). The Lead Vendor provides program oversight of all weatherization work. Before the insulation contractor closes the job, the Lead Vendor provides a quality assurance check of all weatherization work to verify that all work has been completed. This process minimizes return visits and complaints from customers. Spanish and Portuguese speaking energy specialists are available by request and a translation service is available for other languages.

The Lead Vendor model facilitates consistent assessments for customers and allows the program to incorporate testing of new concepts as well as generating leads for other programs. The RI program

design has consistently been recognized as best in class with six years of ENERGY STAR® Partner of the Year awards for program implementation.

Many customers face health and safety barriers that must be remediated before they can proceed with weatherization or other energy efficiency measures. To help facilitate this remediation, in 2022 the Company coordinated with the lead vendor to provide additional information on mitigation to customers facing these barriers, including details on the safety hazard, reasons for mitigating the barrier outside of completing the weatherization, information on the type of contractor to call to complete the remediation, and, if available, a list of Company-approved contractors for reference.

The customer can apply for 0% financing through the Heat Loan to finance the customer costs associated with the upgrade(s). Financing the energy upgrades requires selecting an approved lender and applying for the loan. For customers with low credit, there is a lender that specializes in financial coaching and approves Heat Loans for energy upgrades.

An independent company provides quality control and quality assurance to at least 5% of all assessments and weatherization projects.

## 2.4. Changes for 2023

### **Leveraging the Participant/Nonparticipant Studies**

In 2023, the Company plans to leverage the results of the non-participant and participant study research to identify previously underserved geographic areas in the state to target program outreach. Underrepresented areas are more likely to be non-English speaking households, lower-income, and renters. Targeting these geographic areas will increase access to the programs and improve equity. The program will also take advantage of statewide promotion of the energy efficiency programs, targeted landlord outreach, promotion of the landlord/return and moderate income offerings, and direct community engagement through the contractor network. Contractors will be able to directly market to customers within the underserved areas and tag these customers for the contractor's weatherization services when the customer is ready to proceed with these services. This enables these contractors to directly build their customer base and business.

### **Facilitating connections to contractors and grant/loan funding for pre-weatherization barriers**

Upwards of 45% of all home energy assessments have some type of pre-weatherization barrier that prevents the customer from moving forward with the weatherization project. If the customer does not have a contractor with whom they are comfortable working, it can take additional time to obtain multiple quotes for a remediation project. To help customers remediate these barriers, the program will provide customers with more information about the pre-weatherization barriers they are facing, the

type of contractor they need to contact, a list of pre-approved RI contractors (where applicable), and detailed information on local and state loans or grants available for financing this work. The Program will also encourage customers to use the HEAT loan to finance these upgrades. Lastly, while the Program does not provide direct funding for pre-weatherization barriers, it will continue to offer a \$250 pre-weatherization incentive for addressing any issues identified.

## 2.5. Other Considerations

### **Connecting Customers with Additional Opportunities**

The EnergyWise assessment process also identifies opportunities to engage the customer in additional energy saving programs including HVAC, Consumer Products, and Connected Solutions. During home visits, energy specialists capture the age and condition of heating systems, the heating fuel type, and verify the number of stories in the home. This data is used to identify if homes are good candidates for high efficiency heating, cooling, and hot water systems such as air source heat pumps and heat pump water heaters. Homes meeting optimal building design with current electric heating and/or water heating systems are provided information about enhanced incentives for air source heat pump systems and automatically referred to the HVAC program for follow up.

The EnergyWise assessment can identify if a home has central air conditioning and a smart thermostat, which allows the Company to offer these customers the opportunity to participate in the Connected Solutions program.

## 3. Multifamily (Electric and Gas)

### 3.1. Offerings

The Multifamily program offers comprehensive energy services for multifamily customers including:

- Energy assessments.
- Incentives for efficient electricity, natural gas, or delivered fuels equipment including heating and domestic hot water systems, cooling equipment, lighting, thermostats, smart strips, water saving measures, and air source heat pumps.
- Coordination for all services will be offered for multifamily properties that participate in the Market-Rate and Income Eligible Multifamily Programs.

### 3.2. Eligibility Criteria

Eligible multifamily program participants are defined as the following:

- Buildings with five or more dwelling units

- Properties consisting of four or more one- to-four-unit buildings that meet both of the following requirements:
  - Are within a reasonable geographical distance from each other, or to a five plus unit building, and
  - Are owned by the same individual or firm.

Both market-rate and income eligible multifamily properties are subject to the above multifamily eligibility requirements for coordinated services. For the income-eligible properties, co-payments for energy efficiency services and measures may be waived.

The income-eligible multifamily sector is defined by properties that meet one of the following criteria:

- Owned by public housing authorities or community development corporations;
- Receive affordable housing tax credits or other types of low-income funds/subsides from the state or federal government; or
- Consist of building units where a majority of customers (over 50% of occupants) qualify as income-eligible customers (receive utility service on the A-60 Low-Income rate and/or have a household income of less than 60% of the Area Median Income).

Moderate income customers (customers that are at 80% or below the state median income) are included in the eligibility criteria of the Income Eligible Multifamily Program as they are represented in other units of an income eligible multifamily property that may not meet the eligibility criteria for low-income customers. For example, if a multifamily property has a total of 20 units, and 12 of which qualify as income eligible, the moderate customers could make up the remaining 8 units of the property and therefore be eligible to participate in the Income Eligible Multifamily Program offerings. All customers who have an electric account with the Company are eligible, regardless of their heating fuel type.

A multifamily property may be eligible for services and incentives under both residential and commercial programs. As an example, a building with 20 dwellings that is electrically sub-metered (20 residential accounts) with a commercial electric account for common areas and one commercial gas account serving a central heating/hot water system will likely qualify for incentives through both Multifamily and the Commercial & Industrial Multifamily programs. While this adds a layer of complexity for the Company, it is critical that the Company maintain accounting via these various program budgets to ensure equity for all customers, funding energy efficiency through the energy efficiency program charge. In contrast, the customer will not need to experience this added layer of complexity and will instead receive a consolidated incentive for all efficiency work completed at the site. The Programs' Lead Vendor is well versed in managing projects with multiple types of multifamily designations and can help the customer navigate the process of participating in both programs.

### 3.3. Implementation and Delivery

The Rhode Island Multifamily Program has a single Lead Vendor that utilizes a network of Rhode Island sub-contractors to serve all customers, including income eligible customers. A customer can learn about the Company's Multifamily Program offerings in a myriad of ways ranging from communicating directly with the Lead Vendor, the Rhode Island Energy website, direct mail and print marketing, and digital marketing campaigns.

If the customer is interested in starting the process, the Lead Vendor would do an eligibility assessment and then schedule a home energy assessment. The Lead Vendor then conducts post site screening to identify which measures pass a benefit/cost (B/C) screening on a project level basis. If a measure does not pass, customers can still include it in the project without an incentive. Projects may participate in the Multifamily Program as long as the overall program remains cost-effective.

A final proposal is then presented to the customer that includes the scope of work, costs, available incentives, and an estimated time frame. The customer is made aware of financing options available to them as well. If the customer decides to proceed with the project, installation work is then scheduled.

Once installation work is completed, a final walk through with the customer is done. A completion report is then created and presented to the site's authorized representative and signed off on. A customer survey is also conducted once work is complete.

Individual condo owners within the multifamily program are eligible for financing under the Heat loan. An on-bill financing offer to multifamily C&I gas customers is being initiated in 2022 and will be offered during the 2023 program year.

An independent company provides quality control and quality assurance to at least 5% of all assessments and weatherization projects.

### 3.4. Changes for 2023

**Leverage data from the Residential Non-participant Study to identify and target non-participants.** In 2023, the Company plans to leverage the results of the study to identify program non-participants. The Company will identify the customers that have the greatest savings potential and highest propensity to participant. Outreach to these customers will be done through direct mail and email campaigns and the program's Lead Vendor will utilize this data to perform direct outreach to the customers with the greatest savings potential.

**Leverage recommendations and solutions from the Non-participant Market Barriers Study to improve marketing and outreach**

In 2023, the Company plans to continue to enhance its Multifamily and Income Eligible Multifamily marketing and outreach efforts by updating customer-facing marketing materials, particularly those

geared toward multifamily landlords, including the multifamily brochure and case studies. Based on feedback from the participant and non-participant studies, the Company plans to provide clearer customer communications that emphasize the energy and non-energy benefits of participating.

#### **Improve customer financing options**

In 2023, the Company will continue to explore financing solutions for landlords and/or property managers of both commercially and residentially metered multifamily buildings. Expanding financing solutions in the Multifamily program will make it easier for owners to fund larger improvements to renter-occupied buildings, and therefore achieve deeper energy savings. A financing option could increase multifamily participation within the five-20 unit building segment if the upfront co-pay cost were able to be financed over time.

## 4. Income Eligible Services (Electric and Gas)

### 4.1. Offerings

IES consists of two, no-cost<sup>1</sup>, in-home or virtual services to increase comfort in the home and decrease a customer's energy costs.

#### **Appliance Management Program (AMP) Assessment**

- The energy specialist educates the homeowner or tenant about their energy bill and monthly usage; assesses the home and learns about the day-to-day activities that consume energy in the home; discusses ways the customer can save energy and money, educates the customer to properly operate energy efficient equipment and how to identify signs that indicate if weatherization or heating system replacement is needed.
- Installation of instant energy savings measures such as energy efficient LED bulbs, advanced power strips, water saving measures (faucet aerators and low-flow showerheads) and thermostats.
- Evaluation of existing appliances: refrigerator, freezer, window air conditioning unit(s), clothes washer and dehumidifier to determine energy efficiency and eligibility for a no-cost

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<sup>1</sup> 100% incentive via the systems benefit charge (SBC) that funds all Rhode Island Energy's energy efficiency programs. Customer incurs no cost for audit, weatherization or equipment replacement.

replacement with an energy efficient appliance mode and replacement of eligible existing inefficient appliances (including delivery and installation)<sup>2</sup>.

### **Weatherization and Heating System Assessment**

- An industry-certified energy specialist conducts a comprehensive assessment of the building envelope and heating and cooling systems including visual and equipment-required inspections, infrared camera thermal imaging, combustion safety testing of heating system, energy efficiency testing of heating and cooling systems.
- Air sealing, duct sealing and insulation upgrades in attics, walls and basements.
- No-cost replacement of eligible heating or cooling systems if they are determined to be inefficient or unsafe. Applicable to all existing heating/cooling systems: electric, gas, oil and propane.
- If home has existing electric resistance heat, the customer will be offered to replace it with energy efficient air source heat pumps (ASHP) that provide heating and cooling.

#### 4.2 Eligibility Criteria

The Income Eligible Services (IES) Program serves Rhode Island homeowners, renters, and landlords, who have a Rhode Island Energy account and meet the any of following criteria:

- Household income equal to, or less than, 60% of Rhode Island's State Median Income Levels which are set each program year<sup>3</sup> **or** enrolled in Rhode Island Energy's fuel discount rate plans, Electric A-60 rate and/or Gas 11, 13 rates<sup>4</sup>.
- Customers enrolled in the Low-Income Home Energy Assistance Program (LIHEAP)<sup>5</sup>, also known as "fuel assistance".

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<sup>2</sup> All appliances are purchased/supplied through a central organization, SMOC, a nonprofit agency, to ensure that all delivery personnel meet Rhode Island Energy's security and liability criteria, and all appliances meet IES Program requirements, warranty calls are handled expeditiously and properly documented and non-efficient appliances are removed and recycled safely and properly.

<sup>3</sup> <http://www.dhs.ri.gov/Programs/LowIncomeGuidelines.php>.

<sup>4</sup> <https://www.nationalgridus.com/RI-Home/Bill-Help/Payment-Assistance-Programs>

<sup>5</sup> <https://www.benefits.gov/benefit/1572>

- Homeowners and renters who live in a one to four unit building with either an electric or gas RI Energy Discount Rate account can participate, including customers with delivered fuel heat (oil, propane, wood, or coal) if they have an electric account.

Additional eligibility criteria, including the 50% rule,<sup>6</sup> shelter and group home eligibility, renter eligibility and repair or replacement eligibility are available in the RI Weatherization Assistance Program (WAP/IES) Operations Manual. All criteria adhere to 10 CFR 440 requirements.

### 4.3 Implementation and Delivery

#### **Program Delivery**

IES Program is administered through a Lead Vendor (LV) that is responsible for managing the implementation of IES work through the six Rhode Island geographically-based Community Action Program (CAP) Agencies. In addition, the LV is engaged with all customers as they conduct post-inspections when jobs are complete for 100% of the customers. The CAP Agencies serve as a trusted entity where income eligible customers can obtain essential resources within their respective community.

The IES Program is marketed through the Program's marketing specialist as well as cross marketed at Community Expos, via the Consumer Advocates dedicated to the RI IES consumers, and the Company's call center. The primary point for customers to enroll in the IES Program is through the CAP Agencies as they provide income verification and comprehensive resources for income eligible customers.

Other channels for enrollment in the IES Program are:

- Low-Income Home Energy Assistance Program (LIHEAP);
- Community Expos;
- Consumer Advocate appointments; and
- Rhode Island Energy's Customer Service Center<sup>7</sup>.

The LV monitors the work of the CAP agencies. If the CAP Agency determines they cannot complete their pipeline of weatherization jobs, the CAP will refer the job to a third-party entity to do the weatherization. The LV works closely with the CAPs to regularly review weatherization pipeline and

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<sup>6</sup> Customers that are not on the income eligible rate but live in a two- to four-unit building where more than 50% of the units are income eligible are also eligible to receive weatherization and health and safety services. This exception is referred to as the "50% rule".

<sup>7</sup> (1-800-322-3223)

timeliness of job completion. The referred jobs will get accounted for in the referring CAP Agencies participation and job completion goals.

Key Performance Metrics (KPIs) are tracked to measure/improve consistency of Program delivery as well as drive performance of the CAPs. KPIs include: timeliness of administrative reporting, monthly/year to date spending compared to goals, participation numbers for AMP, electric & gas weatherization and heating system installations and cost.

- Quarterly IES Best Practices meetings are held with the Company, the Lead Vendor, the CAPs, DHS, program vendors (i.e., lighting vendor, appliance delivery vendor), or speakers to address a pertinent topic.
- Monthly engagement of the Company, the Lead Vendor, Executive Directors of the CAPs, and DHS to review the overall performance of the IES Program and coordination of best practices across the CAPs.
- On-going customer feedback and communication.

The LV also coordinates home performance/HVAC contractors and appliance vendors that install weatherization, heating (space and hot water), window air conditioners and appliance measures.

**Customer Journey:**

- A customer begins the process for a no-cost home energy assessment by contacting (call/in-person) their local CAP Agency to submit their information to determine if they meet the income eligibility requirements for participation in IES.
- After the CAP Agency verifies income eligibility, the CAP will schedule a no-cost AMP or virtual AMP and/or Weatherization/Heating System assessment. In some cases, the AMP and Weatherization/Heating System assessments are separate due to the customer's past assessments, renting vs. owning, time availability or the CAP Agency's availability of two-person assessment teams.
- Energy education is provided to the customer regarding the pre- and post-energy assessment process, opportunities to save energy, processes for receiving appliance or heating/cooling system upgrades and/or weatherization.
- If needed, health and safety services will be provided including replacing smoke and CO detectors if non-functioning or expired, clean and tune heating systems, and address conditions such as mold before the EE work is able to be completed.

- The CAP Agency will schedule all necessary follow-up services for insulation, air sealing, appliance and heating/cooling system replacements. All services and appliance and heating/cooling system replacement are provided at no cost to the customer.

Customer receives a “comment card” to provide their feedback on all aspects of their journey through the IES Program.

An independent company provides quality control and quality assurance to at least 5% of all assessments and weatherization projects.

#### 4.4 Changes for 2023

##### **Increasing Participation in the Income Eligible Program through Referrals**

In 2022, the Income Eligible program is forecasted to be below the energy savings goals identified in the annual plan. The primary impediment was an insufficient number of qualified staff at the Community Action Agencies (CAPs) to perform assessments. However, there have been numerous hires in 2022 which will increase the CAP workforce in 2023. Because of existing staffing issues, several CAP agencies were unable to meet their spending goals and underperformed work in many of these communities. While many faced these barriers, some CAP agencies performed very well and will either met or exceeded their goals.

Currently, CAP agency budgets are tied to their assigned communities and cannot be moved to other CAP communities. The purpose of this restriction is to ensure that each community receives an equitable amount of funding that is tied to its population size. While ensuring equity in the communities served, this rule prevents over-performing CAP agencies from taking on additional work in their territories by leveraging unused funds from other territories. Ultimately, by not reallocating funds, income eligible customers are not served that could be. In 2022, the program is looking to serve more customers with two additional options. First, CAPs that are overperforming will be allowed to overspend their budget allocation while there are still customers awaiting services in their territories. Second, an inter-agency Referral program is being established to assist CAPs that do not have staffing capacity to meet their goals. CAPs that can assist in the other under-resourced areas will receive referral services to serve customers in an under-resourced service area. The Company will continue both of these pathways in 2023

The inter-agency referral process enables entire communities assigned to a particular CAP to be reassigned to a different CAP that is able to complete the work while preserving the equity of the program by keeping the budget tied to the community.

The inter-agency referral program is expected to increase budget utilization, enable the CAP agencies to reach more customers, achieve greater energy savings, improve the health and wellness of many income-eligible households, and create a more equitable program.

**Focused communication and engagement with landlords on behalf of interested tenants**

The Company will continue efforts to increase renter participation, via landlord outreach, to effectively improve the focused communication and engagement with landlords: Landlord participation in the IES Program is important for the success of reaching potentially older homes that often have deferred maintenance. Without landlord commitment to the IES Program, renters cannot gain the benefits of energy efficiency which causes an issue with equity of program resources.

Landlords can use the Heat loan to support tenant upgrades. Income Eligible qualified customers receive all program services at no-cost to the customer.

#### 4.5 Other Considerations

**Leveraged Funding and Coordination with Other State Programs**

The IES Program collaborates with the State of Rhode Island Department of Human Services (DHS) Weatherization Assistance Program (WAP)<sup>8</sup> and the Low-Income Home Energy Assistance Program (LIHEAP)<sup>9</sup> to create synergy between the programs, which improves outcomes of all the programs.

The IES Program benefits from leveraging LIHEAP funds, resulting in more customers being served. The amount of funds leveraged is approximately 25% of total customer incentive benefits for weatherization and heating system replacements. The LIHEAP funds also help pay for the remediation of non-energy related health and safety improvements, that if not remediated, would prevent a customer from receiving weatherization and/or heating system upgrades, i.e., roof repair and/or replacement, knob and tube removal, glass repair/replacement and carpentry. Conversations with DHS indicate additional funds available for weatherization in 2023. If funding can also be secured for deferral remediation, more income eligible customers may be served.

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<sup>8</sup> overseen by the U.S. Department of Energy. <http://www.dhs.ri.gov/Programs/WAPProgramInfo.php>

<sup>9</sup> overseen by the U.S. Department of Health and Human Services. <https://www.benefits.gov/benefit/1572>

Other elements of coordination are

- Starting in 2021, WAP (DOE) funding became available for leveraging IES funding for IES energy efficiency measures. DHS provides training and equipment to weatherization auditors.
- DHS provides the IES Program with important operational data including demographics, participation, amount of DHS funding leveraged with IES Program funds, and customer data for those on fuel assistance (LIHEAP), but not the RI Energy discount rate.
- CAPs provide the full suite of energy efficiency services including:
  - Income-eligibility verification
  - Customer education regarding energy and cost savings opportunities
  - Energy assessments
  - Installation of instant energy savings measures
  - Recommendations for energy savings measures

#### **Emergency heating system replacements**

The Company wants to 1) reduce the number of emergency oil/propane heating system replacements in Income Eligible dwellings (replacing oil/propane heat systems with high efficiency oil/heat systems), and 2) find supplemental funding that can offset the cost of fuel switching from oil/propane to high efficiency heat pumps heating systems. In order to achieve this, in 2023, the IES Program will continue to build a list of oil/propane systems they observe during on-site and virtual energy assessments and will work with supporting stakeholders (RI OER, DHS, DOE, and others) to identify funding that can be leveraged to replace oil/propane heating systems with high efficiency heat pumps. At the time when fuel switching can be done, the IES Program will determine if a dedicated team of contractors can be designated for emergency replacements so that homes can be weatherized, heat pumps systems sized and installed in a shorter time period than is currently possible during emergency heating system replacement season.

Currently, if an income eligible customer heats their home with oil or propane and they have a heating system failure or the system is deemed unsafe, the original oil or propane heating system is replaced with a more efficient oil or propane heating system. This 1:1 replacement is the most efficient solution to satisfy the emergency nature of a customer's heating needs. Ideally the Program would prefer to upgrade the oil/propane heat systems with more energy efficiency heat pumps, but the RI EE Programs are not able to provide deliverable fuel to electric heating switching with ratepayer funds. Even if fuel switching was allowed, the time to design and install a completely different system takes many weeks, and a customer cannot be without heat for many weeks in the winter. It is important to note other barriers for heat pumps are that not all homes are well-suited for ASHPs; the IES Program pays for 100% of equipment, labor and inspection costs, which can become very expensive for fuel switching. The PUC recommended that the Company look into possible solutions to stop the installation of new oil/propane

heating systems for emergency heating system replacements as they perpetuate the burning of carbon-intensive fuels. A working group, convened to address this topic, provided recommendations to reduce the number of oil/propane heating system replacements and to identify funding sources for paying for the fuel switching.

## 5. Residential New Construction (Electric and Gas)

### 5.1 Offerings

#### **Design and Construction Assistance**

- Energy modeling and design assistance to verify compliance with the RNC requirements and justify the respective incentives.
- In-field training and inspections to verify compliance with the RNC requirements and promote efficiency in subsequent projects.

#### **Market Development**

- Technical training on high efficiency and Zero Energy building practices, as well as energy code compliance, to build necessary market capacities.
- Training and certifying Home Energy Rating System (HERS) raters to increase the number of qualified raters based in RI.
- Rating and certification services, including HERS, DOE Zero Energy Ready Home, Passive House, and ENERGY STAR, to promote visibility of energy efficiency in the marketplace and support increased use of the RI Residential Stretch Code.

#### **Incentives**

- Whole-home efficiency incentives for buildings based on achieved level of efficiency and number of units.
  - Path to Energy Efficiency incentives ranging from \$200 to \$4,000 per home.
    - Three efficiency tiers, with an entry threshold of 15% more efficient than baseline and progressive maximum air leakage requirements.
    - Additional incentive options of \$250-\$1,000 per home for all-electric home and \$100-\$200 per home for ENERGY STAR® certification.
  - Path to Zero Energy Ready incentives ranging from \$500-\$1,500 per home in addition to Path to Energy Efficiency.
    - Projects must meet a minimum base efficiency level, be all-electric, and achieve DOE Zero Energy Ready Home, Passive House, or equivalent certification.
  - Projects with >75 units are eligible for custom incentives.
  - Adaptive Reuse projects are incentivized based on a separate set of prescriptive measures tailored to mill conversion projects.

- Certification incentives provided to support third-party verification of energy efficiency measures.
- Equipment rebates for qualifying high efficiency heating, cooling, and hot water equipment.
- Complimentary WaterSense showerheads.

## 5.2 Eligibility

The Residential New Construction (RNC) program is designed to advance the Rhode Island housing market toward Zero Energy homes. The program provides technical services, inspection services, and project incentives for new construction, additions, and major renovations to both one to four unit and five plus unit buildings. The program also supports major renovation of adaptive reuse projects (e.g. mill building conversions). The RNC program supports both market rate and income eligible housing units.

## 5.3 Implementation and Delivery

**Design and Construction Assistance, Incentives:** The RNC project pipeline is developed primarily through coordination with RI permitting departments, engagement of the building industry, and referrals from EnergyWise and Rhode Island Housing. A participating customer/project team begins the process by calling or emailing the RNC program. The project team meets with the RNC program team (led by a Lead Vendor), to discuss the project design, learn how to modify design or mechanical systems to improve energy efficiency, and initiate energy modeling of the project to determine the potential for incentives. Once construction has begun, RNC staff provides on-site training as needed and conducts inspections of the completed project to determine energy efficiency and respective incentives. When the project is complete and has met program requirements, the performance and equipment incentives are issued.

**Market Development:** RNC identifies opportunities to build necessary market capacities to advance toward Zero Energy Homes and delivers education and outreach programming designed to achieve this goal.

## 5.4 Changes for 2023

Lighting is no longer an eligible component in Residential New Construction program. RNC is being evaluated in 2023. Recommendations from that evaluation will inform in program year enhancements.

# 6. Home Energy Reports (Electric and Gas)

## 6.1 Offerings

The HER program is a state-wide energy efficiency program that provides benefits for Rhode Island residential customers through the mailing of customer-specific energy usage reports and insights. While over 300,000 customers receive HERs (i.e., the treatment group) by way of direct mail and/or e-mail, all account holders have access to insights of their energy consumption via the web tools located on the RI

Energy website. The program has evolved since 2013 from offering only mailed insights to now being integrated into the Company's website with online assessment tools, sending Non-Advanced Metering Infrastructure (AMI) High Usage Alerts, and utilizing segmentation to target different populations with relevant messaging.

## 6.2 Eligibility

The majority of Rhode Island residential Electric and Gas customers are eligible for the Home Energy Reports (HER) program. Customers with an email address on record will also receive an electronic version of the report (eHER). All customers have access to the online home energy assessment and related insights. Randomly compiled control and treatment groups are necessary for accurate savings reporting. Thus, some customers will not receive print or electronic reports (control group), while others receive both print and electronic HERs (treatment group).

## 6.3 Implementation and Delivery

The program is administered by a Lead Vendor, a company with subject matter expertise selected by the Company to deliver the program. This Lead Vendor also developed and launched the first HERs in the country. The Lead Vendor is responsible for maintaining HER distribution groups, tracking data, managing the Web Portal, and documenting energy savings. The Lead Vendor works with the Company to craft the messaging and delivery of the HERs, and also works with the Company to introduce additional program enhancements, aligning with the Company's state-wide comprehensive marketing efforts.

All eligible customers will receive a minimum of 6 print versions of the report a year and up to 4 gas specific reports in the winter season. All customers with email on record will receive up to 12 reports a year. The reports include marketing messages informing customers of other program opportunities so that they may be made aware of the most current and relevant energy efficiency offerings. For customers interested in learning more about energy saving tips and their home's energy consumption, they may log into the online portal and use the available tools.

## 6.4 Other Considerations

### **Customer Feedback**

The Company's Customer Energy Management team overseeing program strategy continues to work with the Customer Contact Center to ensure customer complaints are addressed. In each report there are multiple options for the customer to contact the Company to learn more or opt-out of the reports.

The Lead Vendor completes a Customer Engagement Tracker (CET) annually to assess customer perception of the program.

## 7. Residential Consumer Products (Electric)

### 7.1 Offerings

Residential Consumer Products incorporates both the federal Environmental Protection Agency (EPA) ENERGY STAR and Department of Energy (DOE) categories of consumer appliances, select building products, and some energy saving items not included by the federal agencies. The largest savings elements of the Consumer Products program come from recycling older refrigerators and freezers. In 2023 the program will also support dehumidifiers, dehumidifier recycling, dryers, refrigerator and freezer recycling, room air cleaners, room air conditioners, efficient shower heads, pool pumps, and low-emissivity storm windows. ENERGY STAR most efficient clothes washers and refrigerators were added in 2022. Consumers can purchase products at a local retailer, online through any online retailer as long as the product meets product specifications and there is a receipt, or at the marketplace (<https://rienergymarketplace.com/>).

In 2022, the Company began offering midstream incentives with the introduction of ENERGY STAR® most efficient clothes washers and refrigerators, two products that previously did not receive incentives. This midstream incentive is being tested with one big box store, to understand the ability of incentives to influence retailer stocking practices.

### 7.2 Eligibility

Residential Consumer Products serves all residential customers by offering incentives on electronics, ENERGY STAR® consumer appliances, and other high use energy saving devices.

### 7.3 Implementation and Delivery

There is a Lead Vendor for this program that works with retailers, so they are knowledgeable about the products and ensure proper signage within the stores. The Lead Vendor also jointly provides staff at customer outreach events at retailer locations. The program supports a combination of upstream and midstream incentives as well as post-purchase consumer incentives. The upstream, negotiated with manufacturers and distributors, and midstream, working with retailers, incentives encourage retailers and manufacturers to support ENERGY STAR with increased production and availability of products. Consumer incentives are designed to bring efficient product costs in line with less efficient equipment, thereby encouraging the adoption of the more efficient item.

A rebate processing vendor verifies and processes post-consumer incentives which can be submitted electronically or by traditional mail. This vendor also processes upstream and midstream incentives.

### 7.4 Changes for 2023

#### **Midstream Delivery**

The Company will continue to assess the success of midstream incentives with the two measures and one big box store as mentioned above. Takeaways will influence decisions on whether to continue the program, expand the program to more stores, expand the program to more products, or adopt the Energy Star Retail Products Platform (ESRPP). ESRPP aims to transform markets by streamlining and harmonizing energy efficiency programs with retailers, making them less complex and more cost effective. While this platform could allow the program to reduce incentive and administration costs and increase savings via higher adoption, evaluation of the success of the currently limited midstream incentive program will facilitate a better understanding of if the ESRPP will be cost effective.

## 8. Residential High-Efficiency Heating, Cooling, and Hot Water (Electric and Gas)

### 8.1 Offerings

The High-Efficiency Heating, Cooling, Ventilation and Hot Water Programs (HVAC Programs) promote and incentivize the installation of high efficiency electric and gas equipment through:

#### **Customer rebates on energy efficient equipment**

- Boilers
- Combined condensing boilers and furnaces
- Furnaces
- Triple-paned windows
- Hot water heaters
- Heat recovery ventilators
- Air source heat pumps (space and water heating)
- Central Air Conditioners
- Smart thermostats

#### **Ability to enroll in the ConnectedSolutions demand response program for additional energy savings**

#### **Contractor Services**

- Quality Installation Verification
- Contractor training
- Contractor incentives
- Upstream incentives (discount taken at the distributor level)

The HVAC Electric and Gas Program is cross-promoted through the EnergyWise Home Energy Assessment, Multifamily, Residential New Construction, Community-Based Initiative and Home Energy Reports Programs. Training elements and best practices of the Program are also provided to the Income

Eligible Services Program to maintain consistency in contractor skills for accurate sizing, design, installation and performance verification of the high efficiency HVAC systems.

## 8.2 Eligibility

Residential High-Efficiency Heating, Cooling, Ventilation and Hot Water (ENERGY STAR® HVAC) serves all residential customers by offering incentives on high-efficiency building space conditioning and water heating equipment and equipment maintenance. Energy efficient equipment must be installed by a licensed heating or cooling contractor or plumber.

## 8.3 Implementation and Delivery

The program is administered by a Lead Vendor that is responsible for contractor training, maintaining distributor relationships, tracking data, providing content for marketing and documenting monthly, quarterly and annual energy savings. The Lead Vendor works closely with the Company to deliver the HVAC Program and provide strategic insight for program improvements.

Contractor training and education is a primary component of the program to ensure accurate sizing, design, installation and performance verification of heating, cooling, and hot water equipment and results in energy savings and customer satisfaction.

The Lead Vendor provides regular communication and in-store time with distributors to provide training and information on the equipment and gain feedback on customer interactions. The Lead Vendor also ensures distributors have proper promotions and marketing signage within the distribution stores.

The Company and Lead Vendor work with manufacturers to develop special offers, or “flash sales”, to further incentivize customers to participate in the Program to gain the benefit of the energy savings.

Product channels for ease of customer use and for product adoption:

- HVAC contractors during routine maintenance service, emergency service, or contractors’ marketing communications
- Residential New Construction/Major Renovation energy advisors during project design consultation.
- Upstream and midstream incentives
- Comprehensive RI Energy marketing channels including emails, Home Energy Reports, bill inserts and radio and media advertisements.
- RI Online Marketplace <https://rienergymarketplace.com/> offers customers the ability to purchase instant discount rebates on energy efficient thermostats and water fixtures.
- The program supports a combination of upstream and midstream incentives as well as post-purchase consumer incentives. The upstream and midstream incentives encourage retailers, distributors and manufacturers to support ENERGY STAR products with increased production

and availability of products. Consumer incentives are designed to bring efficient product costs in line with less efficient equipment, thereby encouraging the adoption of the more efficient item.

- EnergyWise single family or multifamily programs
  - The Home Energy Reports sends targeted communications to electric heat customers promoting air source heat pumps as an energy efficiency solution.

A rebate processing vendor verifies and processes post-consumer incentives which can be submitted electronically or by traditional mail. This vendor also processes upstream and midstream incentives.

Customers who complete a Home Energy Assessment through the EnergyWise Program can apply for 0% Heat Loan financing for qualified high-efficiency space heating and cooling and hot water equipment upgrades.

## 8.4 Changes for 2023

### **Triple-Paned Windows**

Triple-paned windows are a new offering for customers in 2023. Customers that have single paned windows and upgrade to triple paned windows will be eligible for the incentive.

### **Heat Pumps**

Concurrently with the drafting of this plan, a proposal to provide \$37 million in federal funding for heat pump deployment is moving through the Rhode Island legislature. If this proposal is passed, the HVAC programs will work to align with the state's program and take advantage of synergies where possible.

## 8.5 Other Considerations

### **Cross-Promotion**

The HVAC Electric and Gas Program is cross-promoted through the EnergyWise, Home Energy Assessment, Residential New Construction, Community-Based Initiative and Home Energy Reports Programs. Training elements and best practices of the Program are also provided to the Income Eligible

Services Program to maintain consistency in contractor skills for accurate sizing, design, installation and performance verification of the high efficiency HVAC systems.

The Electric HVAC Program and the Residential New Construction/Major Renovations Program will work closely together to develop and implement an HVAC contractor training for the design and installation of heating/cooling/ventilation/hot water systems in projects striving to meet Zero Net Energy and Passive House.

### **Communications**

The HVAC Program will coordinate on strategic communication and technical support to assist HVAC contractors engage with Zero Net Energy and Passive House projects to ensure the mechanical system is ideally designed and installed to meet the very low energy requirements of the homes. Consideration of requirements for contractors to participate in Zero Net Energy and Passive House training or successful completion of a project to be listed as a Zero Net Energy and Passive House participating HVAC contractor.

HVAC Contractors will be listed on the Program's webpage as having completed the training and/or for the completing Zero Net Energy and Passive House projects.

HVAC Contractors are still the primary pathway to the HVAC program. Feedback from the contractor community is that consistency of incentives is valuable throughout the year. Contractors are busy with installations and changing incentives create additional work and tracking to very busy schedules.

### **Customer Feedback**

The Company's HVAC Lead Vendor has quality assurance (QA)/quality control (QC) staff who perform onsite inspections and engage with customers to obtain feedback and/or questions. Staff often have extended discussions with customers about their new system and how to best operate and maintain it for optimal performance. The QA/QC staff also frequently meet with HVAC service technicians and installation crews on project sites. Staff also provides Air Source Heat Pump (ASHP) Installation and Operation Best Practices for contractors and customers. The purposes of these visits are to perform QA/QC inspections, test the equipment and installation, capture customer feedback, and provide additional 1:1 training. The QA/QC staff frequently meet with HVAC distributors at their distribution centers to share new program information and provide feedback from contractors, customers, and the utility program administrators. Finally, these same staff lead larger HVAC contractor trainings and annual contractor meetings where the lessons learned from field visits are shared. The program's central focus is on these frequent direct interactions with customers, contractors, and distributors to obtain feedback and share lessons learned from the field, while mentoring and training HVAC service providers.

## 9 Residential ConnectedSolutions

### 9.1 Offerings

#### **Thermostats**

The Company has offered an EnergyStar certified Smart thermostat-based demand response program since the summer of 2016. There are nine different smart thermostat manufacturers supported in the program.

This program precools the customers' home before the grid peak and then sets back the thermostat setting during peak periods. This lowers the chance of customers' central air conditioning units running during grid peaks. A customer may opt out of the program or events at any time. Customers receive an initial enrollment incentive and an annual incentive for staying in the program.

#### **Batteries**

The Company has offered a battery-enabled demand response program since 2019. There are six different smart inverter manufacturers supported in the program. The Company added two more inverter manufacturers since the summer of 2020. The inverters control the battery systems.

This program sets batteries to discharge during grid peaks. Often, this means that power is being exported to the grid during peak times, which reduces the load on the grid. This export is supported in both the Net Metering and RE-Growth programs.

Customers may apply for a seven-year, 0% interest HEAT Loan for the cost of the battery system. Customers receive no other upfront incentives from the program. Customers are incentivized based on the average performance (kW) of their battery system over the 30 to 60 summer events each year.

#### **Pool Pumps**

The Company is working with its vendor to integrate internet enabled pool pumps into its Connected Solutions program. This work is projected to be completed in late 2022 and should be ready for the 2023 summer season. This program will control internet connected pool pumps to automatically stop pumps when the electric grid is at or near its annual peak. These peak events will be called on the same dates and times as the battery-based demand response program.

This program will control internet connected pool pumps. Customers will earn an enrollment incentive and an annual incentive for staying in the program.

#### **Solar Inverters**

The Company is in the process of completing the Solar Inverter Demonstration and will evaluate its results in 2022. Should the demonstration provide favorable results, the Company will offer this as a full program in 2023.

This program will enroll customers who already have a supported solar inverter or who are installing a new solar photovoltaic system with an inverter from a supported inverter manufacturer. Customers will earn an enrollment incentive and annual incentive for staying in the program.

## 9.2 Eligibility

ConnectedSolutions is an active demand reduction program that focuses on electric demand reduction during peak demand periods during the year. Consumers with eligible controllable equipment can enroll to participate in active demand reduction.

## 9.3 Implementation and Delivery

### **Thermostats**

In this BYOD (Bring-Your-Own-Device) program, customers are free to purchase a thermostat from any of the nine supported manufacturers. After purchase, thermostat manufacturers send emails and in-app notifications to customers inviting them to enroll in the ConnectedSolutions program. Enrollments in smart thermostat-based demand response options have historically exceeded expectations. In 2023, approximately 7,200 enrollments are planned.

The enrollment incentive for thermostats is \$25 per device. Once enrolled, there is an additional annual incentive of \$20 per thermostat. There is no performance incentive per demand response event. Thermostat participants are not eligible for a HEAT Loan.

### **Batteries**

In this BYOD program, customers are free to purchase an inverter from any of the supported inverter manufacturers and have it installed by the customer's preferred installer. Inverters control the battery systems. Enrollments in the residential battery-enabled demand response program have been lower than expected even though generous incentives are offered in RI for batteries through other programs. In 2022 there were over 400 batteries enrolled in the program. 2023 is looking for over 520 batteries to be enrolled.

There are no enrollment or annual incentives for batteries. There is a performance incentive of \$400/kW-year of demand reduction provided. Battery participants are eligible for a HEAT Loan.

### **Pool Pumps**

The pool pump demand response program will also be new in 2023. In 2021 Guidehouse completed a report showing that pool pumps could cost effectively be added to the Company's demand response programs<sup>10</sup>.

In this BYOD program, customers earn an incentive for signing up for the program and for each year they stay in the program. In 2022 only one pool pump manufacturer may be supported by the Company's DERMs. However, the Company expects this number to grow in 2023.

The Company has set the goal of enrolling 25 customers into the pool pump program in 2023. Marketing for this program will be mostly through the pool pump manufacturer to customers who already have a supported internet connected pool pump, and to new customers considering the purchase of a new pool pump. The incentives will help to offset the incremental cost of customers installing an internet connected pool pump instead of a standard pool pump.

The enrollment incentive for pool pumps is \$100 per account with an additional annual incentive of \$20 per account. There is no performance incentive per demand response event. Pool pump participants are not eligible for a HEAT Loan.

### **Solar Inverters**

The Company will work with some of the inverter manufacturers already in the ConnectedSolutions battery measure to email customers to opt-in to updating their inverter settings. Customers will receive an enrollment incentive and an annual incentive for staying in the program. Customers may leave the program at any time. The Company will receive data from every inverter to quantify how often and how much power factor was corrected. If the customer's solar generation (kWh) is decreased larger than the annual incentive, the customer will be given an additional incentive to guarantee they are not penalized for their participation in this demonstration.

The Company's Electric Business Unit (EBU) has provided the preferred setpoints for power factor correction. The EBU will use sensors on the grid to monitor this demonstration for any negative effects or unintended consequences. The EBU may periodically change the preferred inverter setpoints, which will be pushed out to all participating inverters by our inverter manufacturer partners.

## 9.4 Changes for 2023

### **Pool pump and Solar Inverter enrollment**

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<sup>10</sup> [https://ma-eeac.org/wp-content/uploads/2021-Cost-Effectiveness-of-ADR-for-Residential-End-Uses-Final-Report-2021-07-19\\_CLEAN-1.pdf](https://ma-eeac.org/wp-content/uploads/2021-Cost-Effectiveness-of-ADR-for-Residential-End-Uses-Final-Report-2021-07-19_CLEAN-1.pdf)

In 2023 the company will launch a pool pump-based and solar inverter demand response program. Additional detail about these new offerings is described in Offerings above. These devices can act as actively controlled distributed energy resources to shape the use of electricity to reduce the cost of running the grid for all customers.

## 9.5 Other Considerations

### **Program Expansion**

The program is planning to achieve demand reductions above the set Targets for Active demand response (i.e. the maximum scenario in the Market Potential Study). The Company is identifying and pursuing opportunities beyond what was identified by the Market Potential Study.

The solar inverter demonstration study was started in 2021 and will continue into 2022 with an expected completion in the summer of 2022. This study looks to verify the energy savings in kWh and determine customer acceptance of the offering if converted to a full program offering in the future.

### **Feedback**

Feedback from customers and vendors is used to continuously improve all of the Company's programs. This is especially important for new measures such as the batteries and pool pump demand response measures.

## 10 Marketing, Outreach & Education

### 10.1 Overview

The goals of the Company's marketing efforts are to build awareness of and drive participation in the Company's efficiency offerings and services among residential customers, while providing a positive customer experience. The Company uses an integrated, multichannel approach featuring consistent messaging and visual design elements (as appropriate) across communications. General awareness tactics (i.e., print ads and radio) as well as digital and direct one-to-one tactics (such as e-mail, online banner ads, social media, and direct mail) generate customer interest and program participation. All ratepayers receive bill inserts and quarterly 'We Connect' printed newsletters and can access [www.rienergy.com](http://www.rienergy.com) at any time (provided they have internet access).

### 10.2 Delivery, and New for 2023

During 2021, familiarity of energy efficiency programs among RI customers remained strong and stable with respect to 2020 levels, per the Company's online survey of a representative sample of Rhode Island Energy customers. 66.1% of the customers surveyed between April 2021 and June 2021 were "very

familiar” or “somewhat familiar” with “energy savings or rebate programs from Rhode Island Energy that help you with ways to use less gas or electricity.

Rhode Island Energy uses a multichannel marketing approach to generate interest and drive adoption of solutions across the portfolio, as well the use of residential segmentation to enable personalization and optimize a channel strategy based on customers’ preferred communication channels. The Company aligns marketing efforts with residential customer research, customer segmentation, propensity modeling, media habits research, and behavior data. Due to COVID-19 pandemic, recent campaigns reflect the 2020 changes made to energy efficiency strategies and programs to engage customers during this time. The Company’s ecommerce Marketplace at [www.rienergymarketplace.com](http://www.rienergymarketplace.com) serves as the online destination for customers to purchase top branded energy-efficient products at instantly discounted prices. Rhode Island Energy’s website remains an important resource for information on products and services as well as rebates available to customers. The Company’s social media advertisements and messages on Facebook, Instagram, Twitter, Snapchat, and NextDoor ensure customers are learning about energy efficiency opportunities while they are online with their family, friends and neighbors.

Across marketing campaigns, messaging focuses on the benefits of energy efficiency products and programs while aligning with overall Company communications and demonstrating an understanding of current customer sentiment and needs based on internal research. Core to our messaging is helping customers save energy and money and lower their environmental footprint. Where appropriate, messaging around safety is incorporated into marketing materials given health and safety concerns. Overall messaging tone is helpful, empathetic, and informative to ensure the information reflects the Company’s role as a trusted advisor who truly cares about customers’ needs.

Rhode Island Energy’s newest energy efficiency education/awareness campaign complements all programmatic marketing efforts. The omni-channel outreach plan includes a mix of owned and paid tactics and channels. Ads are intended to be informational while providing tangible ways to take action. Core to the campaign is an interactive landing page that captures the essence of the whole-home approach and serves as the destination for customers to comprehensively understand the value of the energy efficiency programs. This webpage allows customers to learn more about the various programs, potential savings and energy efficiency measures they can take, as well as link to more program details. Customers can also access a library of seasonal and year-long energy saving tips and information about energy efficiency offers and rebates.

### **New for 2023**

The participant and non-participant studies, which concluded in 2022, provided the company with valuable insights on participation trends and barriers. These studies analyzed residential program participation between 2016 and 2020, identified and compared nonparticipants to participants to model propensity scores, and conducted interviews with nonparticipants to better understand programmatic barriers and ways to address them.

The research identified key barriers to participation as low awareness of energy efficiency and its value, a lack of trust and understanding of why an energy company would engage in promoting less use of energy, and limited access to program information that meets their needs (such as availability in their language). A statewide comprehensive campaign will be deployed in 2023 to consistent message both the purpose of energy efficiency and the availability for customers.

Using lessons learned from a 2021 Spanish-language campaign that was created for fridge recycling and smart thermostats, the Company will scale its multi-cultural educational efforts through the creation of a new in-language and in-culture campaign in 2023. The goal will be to increase awareness and participation of the energy efficiency programs among multicultural customers. Initially the campaign will begin with Hispanic customers and expand to other multicultural groups. Aside from this campaign, the Company will also be more consistently sending its direct mail and emails in both English and Spanish.

The Company participated as a major sponsor at the annual Rhode Island Home Show in April 2022. Participation will be evaluated for 2023 as well.