

The Narragansett Electric Company d/b/a Rhode Island Energy
System Reliability Procurement (SRP) Investment Proposal for
Electric Demand Response 2027-2029:

Responses to Stakeholder Comments

Introduction and Summary

In this document, Rhode Island Energy summarizes its engagement with stakeholders regarding its *System Reliability Procurement Investment Proposal for 2027-2029 Electric Demand Response*, referred to as the "SRP Investment Proposal" or "ConnectedSolutions Investment Proposal."

Rhode Island Energy presented its workplan for the 2027-2029 ConnectedSolutions Investment Proposal to the Rhode Island Energy Efficiency and Resource Management Council on March 19, 2026, and to the System Reliability Procurement Technical Working Group on April 14, 2026. The Company subsequently presented and discussed the proposal's core design elements, program evolution, and potential program modifications at the Council's June 18, 2026 meeting.

The Company circulated its first draft SRP Investment Proposal for external review on July 30, 2026. Stakeholders were invited to discuss the draft during the August 11, 2026 SRP Technical Working Group meeting and the August 20, 2026 Council meeting and were asked to submit written comments by August 28, 2026.

Rhode Island Energy appreciates the time stakeholders devoted to reviewing the proposal and providing comments. The feedback informed revisions to the Investment Proposal and identified areas where additional explanation, coordination, evaluation, or future program development may be appropriate.

Summary of Stakeholder Circulation and Comments

Email Distribution

On July 30, 2026, Rhode Island Energy circulated the first draft of the 2027-2029 ConnectedSolutions Investment Proposal, a stakeholder memorandum, and an optional

stakeholder feedback form. The materials requested feedback on program design, implementation, budgets, incentive structures, participation forecasts, Background Energy Adjustments, the Daily Dispatch Performance Factor, future program development, and customer experience.

Materials were distributed to ConnectedSolutions partners and stakeholders, members of the SRP Technical Working Group, the Council and its consultant team, the Division of Public Utilities and Carriers, participating Curtailment Service Providers, solar and battery stakeholders through the Office of Energy Resources, and Strategic Energy Management Plan partners. Stakeholders were asked to submit comments by August 28, 2026.

SRP Technical Working Group and Council Meetings

Rhode Island Energy discussed the draft proposal with the SRP Technical Working Group on August 11, 2026 and presented the proposal at the Council's August 20, 2026 meeting. These discussions focused on proposed program design changes, incentive levels, participation forecasts, Background Energy Adjustments, the Daily Dispatch Performance Factor, Advanced Metering Infrastructure integration, and future program opportunities.

Individual Stakeholder Meetings

Rhode Island Energy also conducted individual stakeholder meetings and follow-up discussions with several participants following the release of the draft proposal to answer questions, clarify proposal elements, and better understand stakeholder feedback. These discussions included Council consultants, solar and battery installers, and Curtailment Service Providers. Feedback received through these discussions also helped refine the proposal.

Written Comments Were Received From

1. [C-Team](#)
2. [Enel-X](#)
3. [Green Energy Consumers Alliance](#)
4. [Newport Solar](#)
5. [Oak Square](#)
6. [RTX/Raytheon](#)
7. [NRG/CPower](#)

Comments received from stakeholders can be found by accessing the direct link in text above.

Response to Comments Provided to the Council

To support a clear and efficient response, Rhode Island Energy has grouped similar stakeholder comments by topic and paraphrased them below. The numbers following each summarized comment correspond with the stakeholder list above. This section is intended to identify common themes, reduce repetition, and provide a framework for preparing consolidated responses to written stakeholder comments.

1. Support for Continued ConnectedSolutions Investment and Demand Response Expansion

Comment: Stakeholders were generally supportive of the proposed 2027-2029 ConnectedSolutions Investment Proposal and expressed support for continued investment in ConnectedSolutions and the expansion of demand response resources. Commenters provided suggestions to several proposed program design changes, while seeking additional clarity on various sections of the proposal.

Commenters noted that the program can support grid reliability, peak reduction, customer savings, and system benefits as Rhode Island continues to pursue electrification and other evolving system needs. Commenters look forward to remaining partners in the program. (1, 2, 3, 4, 5, 6, 7)

Response: Rhode Island Energy appreciates stakeholders' continued support for the ConnectedSolutions Program and the broader expansion of demand response resources. The Company agrees that demand response can play an important role in supporting grid reliability, reducing peak demand, helping manage system costs, and providing customer savings as Rhode Island continues to advance electrification and other evolving energy system priorities.

The Company values the continued partnership of stakeholders in supporting program implementation, customer engagement, and ongoing program improvement. Rhode Island Energy will continue to evaluate opportunities to expand and refine ConnectedSolutions in a manner that is cost-effective, achievable, and aligned with system needs, customer benefits, and applicable regulatory requirements.

2. State Climate, Energy, and Strategic Planning Alignment

Comment: Several stakeholders recommended that Rhode Island Energy more clearly describe how ConnectedSolutions aligns with Rhode Island's broader energy, climate, and system planning objectives. Commenters encouraged greater

coordination with the Rhode Island Public Utilities Commission, the Office of Energy Resources, the Executive Climate Change Coordinating Council, ISO New England, and other relevant entities to support a strategic demand response roadmap focused on peak demand reduction, emissions reductions, system reliability, and evolving market requirements. Stakeholders also recommended providing additional clarity regarding the system value delivered by ConnectedSolutions, how incentive levels and program design decisions support that value, and how the program complements other customer-facing initiatives, including energy efficiency programs, heat pump deployment efforts, grid resilience offerings, and customer energy usage reports. Some commenters specifically identified heat pumps as an emerging demand response opportunity that may warrant increased coordination with related state and utility programs. (1, 3, 4)

Response: Rhode Island Energy appreciates stakeholders' feedback regarding the role of ConnectedSolutions within Rhode Island's broader energy, climate, and electric system planning objectives. The Company agrees that demand response can play an important role in reducing peak demand, supporting system reliability, facilitating beneficial electrification, and helping to manage future electric system costs. ConnectedSolutions supports these objectives by procuring peak demand reductions that help lower system costs and improve grid reliability while enabling greater participation from demand-responsive technologies. Rhode Island Energy will continue coordinating with the Rhode Island Public Utilities Commission, the Office of Energy Resources, the Executive Climate Change Coordinating Council, ISO New England ("ISO-NE"), and other stakeholders.

The Company also recognizes stakeholder interest in understanding how incentive levels and program design decisions relate to system value. ConnectedSolutions incentives are designed to compensate participants for the peak demand reduction and grid services provided to the electric system while balancing customer participation, affordability, and program cost-effectiveness. Rhode Island Energy has sought throughout the proposal to provide additional information regarding expected benefits, system value, and the rationale supporting proposed pathway design decisions.

Rhode Island Energy further recognizes the importance of ensuring that ConnectedSolutions complements other customer-facing initiatives, including energy efficiency programs, heat pump deployment efforts, grid resilience offerings, advanced metering functionality investments, and customer engagement tools. The Company will continue evaluating opportunities to improve coordination across

programs and customer communications as demand-responsive technologies become more prevalent.

While the primary purpose of this proposal is to establish the program design and budget for the 2027-2029 period, Rhode Island Energy will continue refining its long-term demand response strategy and will incorporate stakeholder feedback, lessons learned, evolving ISO-NE market structures, and emerging system needs into future program planning efforts.

3. Actions towards getting value out of AMI

Comment: Use AMF and grid mod investment to actually target distribution peaks, as indicated in last SRP cycle. Start by piloting a ConnectedSolutions+ type offering in a constrained area, using AMI to measure impacts. Can be load based constraint or generation-based constraint (solar soaking).

Use AMF to communicate more granular customer usage information and market CS programs. Showing customers how concentrated their usage is during certain times of day can better demonstrate *why* DR programs like ConnectedSolutions provide value.

Green Mountain Power has had AMI for years and provides customers w/ weekly energy reports, as well as a breakdown of % of usage per bill cycle across 6 standard windows/times of day (4-8am, 8am-noon, noon-4pm, 4-8pm, 8pm-midnight, midnight-4am). (1)

Response: The Company appreciates the recommendation to leverage AMF and grid modernization investments to better identify, target, and measure demand response value at more granular geographic levels. ConnectedSolutions is designed primarily to reduce regional coincident peak demand, helping to lower regional capacity costs while providing broader reliability and affordability benefits to customers. However, the Company recognizes that AMF and related grid modernization investments create opportunities to better understand customers' load shapes, identify participation opportunities, communicate how customer energy use contributes to system peaks and associated costs, and evaluate where enhanced demand response strategies could provide additional customer and system benefits.

While the Company is not proposing an enhanced or location-specific demand response offering as part of this filing, the Company intends to continue evaluating how AMF-enabled insights may support program development. The Company will

evaluate opportunities to leverage available system planning and operational data to identify geographic areas, customer segments, or load characteristics that may provide meaningful ConnectedSolutions value. This evaluation may include assessing existing ConnectedSolutions participation levels within identified areas to better understand participation gaps and opportunities.

The Company also recognizes the value of using AMF customer-facing tools and available usage data to support customer education and awareness. Customer-facing tools may help customers better understand energy use patterns, system peak periods, and opportunities to participate in ConnectedSolutions. Where appropriate, cost-effective, and feasible, Rhode Island Energy may use available data to help customers understand when electricity use contributes most to system peaks, how those peaks relate to regional system costs, and how participation in ConnectedSolutions can help reduce those costs while supporting grid reliability.

In response to this feedback, the Company will evaluate targeted outreach and education strategies for geographic areas and customer segments where participation potential exists. Potential approaches include coordination through key account managers, Curtailment Service Providers ("CSPs"), direct mail campaigns, small business outreach, customer education materials, digital communications, and other marketing channels designed to increase awareness of and encourage participation in ConnectedSolutions.

4. Residential Incentives and Multi-Year Rate Lock

Comment: Stakeholders requested clearer communication of Residential Battery Storage incentive structures, including tables that show expected incentive levels by customer cohort, enrollment year, and participation year.

Commentors also requested clarification regarding five-year rate-lock treatment, whether any subsequent rate certainty applies after the initial term, and how proposed incentive changes will affect new and existing customers. (3, 4)

Response: The Company recognizes the nuisances that go into understanding the incentive and multi-year rates and recognizes that additional clarity regarding incentive eligibility is needed.

Customers and installers alike need to be provided with clear information on which rate a customer receives and for how long. The Company has clarified this by grouping enrollment cohorts as represented below and in Table 1 of the draft plan.

Table 1. Incentive payout schedule

Table 1, below, shows the eligible incentive rate for battery energy storage dispatch based on year of peak season program enrollment. This table includes the proposed honoring of the five-year rate lock and to uphold a multi-year incentive rate for any new participants. Incentive levels are subject to review and approval post-2029.

Table 1. Battery energy storage dispatch incentive schedule

Enrollment Cohort	2027-2029 Incentive Rate*	How Long the Rate is Available
Enrolled on or before May 31, 2024	\$400/kW	Up to 5 years from enrollment
Enrolled on or after June 1, 2024	\$225/kW	Multi-Year Rate**
Enrolled on or after June 1, 2027 or Exceeds 5-years enrolled in the program	\$200/kW	Multi-Year Rate**

*Incentives are based on a participant's average kW reduction during all ConnectedSolutions dispatch events.

**Incentive levels for participation after 2029 are subject to review, approval, and program availability.

Based on comments received the incentive payout schedule was still unclear. The Company hopes to alleviate any confusion and proposes the following revised table.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

How to Read the Table:

The table below illustrates the incentive rate a participant is eligible to receive based on the year they first enrolled and began participating in ConnectedSolutions. To use the table, locate the participant's enrollment cohort in the left-hand column (Column A) and read across the row to identify the applicable incentive rate by participation year.

Participants enrolled on or before May 31, 2024 remain eligible for the previously established five-year rate lock. Participants enrolled on or after June 1, 2024 and before June 1, 2027 are eligible for the proposed \$225/kW multi-year incentive rate through 2029. Participants enrolling on or after June 1, 2027, as well as participants who have completed their applicable five-year or multi-year incentive rate, are eligible for the proposed \$200/kW incentive rate. Incentive levels after 2029 remain subject to future review, approval, and program availability.

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Customer enrolled with a newly installed battery and begun peak season participation...	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2019-2022	Incentive level provided for Multi-Year Incentive Rate								\$200		
2023	-	-	-	-	\$400				\$400	\$200	
2024 (Participants enrolled on or before May 31, 2024)	-	-	-	-	-	\$400			\$400		\$200
2024 (Participants enrolled on or after June 1, 2024)	-	-	-	-	-	\$225			\$225		\$200
2025	-	-	-	-	-	-	\$225		\$225		
2026	-	-	-	-	-	-	-	\$225	\$225		
2027 (Participants enrolled on or after June 1, 2027)	-	-	-	-	-	-	-	-	\$200		
2028	-	-	-	-	-	-	-	-	-	\$200	
2029	-	-	-	-	-	-	-	-	-	-	\$200

Incentives are based on a participant's average kW reduction during all ConnectedSolutions dispatch events.

Comment: We believe that incentive levels should be considered independently of the existence of state programs and rebates towards the relevant technologies, as incentives provided through ConnectedSolutions should be based on the tangible benefits provided to the grid from peak demand reduction and should not be based on the ease of acquiring the relevant technologies, as this is not directly related to performance achieved in ConnectedSolutions. (3)

Response: The Company believes the proposed Residential Storage Battery incentive levels appropriately balance customer compensation, participation, peak demand reduction value, and overall program cost-effectiveness. Rhode Island Energy believes the proposed incentive levels appropriately compensate participants for the grid services provided while ensuring that the program continues to deliver cost-effective benefits to all customers.

Comment: The RSB battery incentive should be increased to attract higher participation as well. State level incentives for batteries have increased in response to the loss of the Federal Tax Credit for these systems. That said, the incentives remain highest for energy storage paired with new solar, or low income battery add ons. Raising the CS incentive may help attract customers with existing solar arrays to add energy storage. There are also scenarios in which the existing utility infrastructure cannot handle the addition of solar/battery without transformer upgrades. These costs which generally range from \$5000 to \$9,000 (for small scale projects) are passed to utility account program. It feels important to note that battery systems will not export to the utility unless participating in the connected solutions program. Thus customers are paying for utility upgrades that benefit the utility, or limiting the export of their system which is of no benefit to demand response. These costs and their frequency should be considered when evaluating the appropriateness of the incentive level. (4)

Response: The Company believes the proposed Residential Storage Battery incentive levels appropriately balance customer compensation, participation, peak demand reduction value, and overall program cost-effectiveness while continuing to provide value to customers and the electric system.

Comment: One stakeholder stated that the Bring Your Own Thermostat ("BYOT") and Electric Vehicle Demand Response ("EVDR") pathways' incentive levels are too low to attract customer participation. Customers are unlikely to be willing to give utility access to their devices without a greater incentive to do so. (4)

Response: Incentives are an important factor in customer enrollment decisions. However, the proposed BYOT and EVDR incentive levels were developed based on program participation trends, expected customer value, projected peak demand reduction benefits, and the overall cost-effectiveness of each pathway. The proposed incentive levels are intended to encourage participation while ensuring that program funds are used efficiently to deliver customer and system benefits.

Importantly, more than 16,000 BYOT and EVDR customer devices are currently enrolled in ConnectedSolutions, demonstrating that many customers are willing to participate in the program and agree to its terms and conditions in exchange for incentives and benefits provided. Rhode Island Energy believes the proposed incentive levels strike an appropriate balance between maintaining customer participation and ensuring cost-effective procurement of peak demand reduction for all customers.

5. HEAT Loan/0% Financing

Comment: One stakeholder recommended that the HEAT Loan/0% financing be made available again for all rate class customers. The commenter stated that this financing option had previously been attractive to customers and could help reduce upfront cost barriers for residential battery participation. The stakeholder also noted that customers have not used the HEAT Loan from 2024- 2026 and recommended that Rhode Island Energy consider whether financing support could improve customer participation and access to the Residential Storage Battery pathway. (4)

Response: The Company appreciates this feedback and acknowledges the stakeholders' observation that utilization of the 0% financing option was limited during the 2024-2026 implementation period. Rhode Island Energy evaluated the availability of financing options as part of the 2027-2029 program design and determined that continuing 0% financing eligibility for income-eligible customers provides a targeted approach to addressing affordability concerns while minimizing the overall cost of procuring peak demand reduction through the program.

The primary purpose of ConnectedSolutions is to procure peak demand reduction and grid services from participating battery systems, rather than to reduce the upfront cost of purchasing and installing battery energy storage. Rhode Island Energy therefore seeks to focus program funding on cost-effective demand response incentives, while leveraging complementary state programs that are

specifically designed to support battery adoption and reduce upfront customer costs.

In addition to ConnectedSolutions participation incentives, customers may be eligible for complementary state programs that support battery energy storage adoption, including incentives available through the Rhode Island Office of Energy Resources (OER) Energy Storage Rebate (ESR) Program. Rhode Island Energy will continue coordinating with OER to help increase customer awareness of available resources that may reduce upfront costs and support participation in the ConnectedSolutions program.

6. Participation Forecasts, Benefit-Cost Analysis, and Modeling Inputs

Comment: Right-sizing incentive for storage makes sense, but RIE is using 2024 AESC and we're about to get a full re-fresh. Would be advisable to wait on major changes to incentive levels until you know what you are right-sizing to. Also recommend aligning incentives with offer provided in other ConnectedSolutions branded programs in the region to avoid RI having anomalous rebate levels. (1)

Response: The Company is actively monitoring the ongoing refresh of the Avoided Energy Supply Cost (AESC) study and associated timelines. If updated AESC values become available in time to support the Company's regulatory filing, Rhode Island Energy intends to incorporate the most current information available into its evaluation of program benefits and incentive levels. At the time the proposal was developed, the 2024 AESC assumptions represented the most current approved forecast available for planning purposes.

The Company also recognizes the importance of understanding incentive levels within the broader regional market and considered incentive offerings from other ConnectedSolutions-branded programs when evaluating the proposed incentive structure. However, Rhode Island Energy's proposed incentive levels are ultimately based on Rhode Island-specific program economics, avoided costs, participation forecasts, and cost-effectiveness considerations. The Company believes the proposed incentive levels appropriately balance customer compensation, peak demand reduction value, and cost-effective delivery of benefits to all customers.

Comment: Stakeholders requested greater clarity into forecast methodologies by program pathway, including assumptions for BYOT growth, prior participant recruitment, customer attrition, and Background Energy Adjustment participation. Some stakeholders questioned how high participation levels could be achieved for

Background Energy Adjustments without a direct customer incentive, while others supported using battery implementer data to forecast residential battery participation. (1, 3, 4)

Response: Participation forecasts for each ConnectedSolutions pathway were developed using a combination of historical program performance, enrollment trends, expected market conditions, Implementation Vendor and OEM input, anticipated customer adoption and attrition rates, and professional judgment.

For Background Energy Adjustments, participation forecasts were informed by available OEM data, the number of eligible and consenting devices within Rhode Island Energy's service territory, and expected growth of OEM energy optimization features over the 2027-2029 implementation period.

The Company recognizes stakeholder concerns regarding background energy adjustment participation levels in the absence of a direct ConnectedSolutions incentive. Unlike ConnectedSolutions pathways, customers may enable these OEM features independent of utility programs because they are marketed as energy optimization, comfort, sustainability, or convenience features. Accordingly, participation estimates are based on expected adoption of customer-authorized OEM functionality rather than enrollment in an incentive-based demand response offering.

7. Request for Clearer Proposal Rationale and Pathway-Specific Design Explanation

Comment: One stakeholder requested additional explanation and supporting rationale for proposed incentive levels and pathway-specific program design changes, particularly where incentive reductions are proposed. The stakeholder recommended that Rhode Island Energy provide greater detail regarding how incentive levels were determined, including analysis demonstrating that the proposed incentives appropriately balance participant compensation, peak demand reduction, cost-effectiveness, and overall program objectives. The stakeholder also requested additional explanation regarding the proposed reductions to the Residential and Small Business Battery and C&I Daily Dispatch incentive pathways and suggested that incentive levels should be based primarily on the value of peak demand reduction and related grid services rather than the availability of external technology-specific incentives or rebates. (3)

Response: The Company agrees that stakeholders benefit from understanding how incentive levels and program design changes support peak demand reduction, participant engagement, cost-effectiveness, and overall program objectives.

In developing the proposed incentive structure, Rhode Island Energy evaluated expected system benefits, avoided electric system and supply costs, historical program performance, participation trends, market conditions, and overall program cost-effectiveness. The Company seeks to balance participant compensation with the value delivered to Rhode Island customers through peak demand reduction and related system benefits.

Rhode Island Energy also notes that ConnectedSolutions is a technology-agnostic demand response program whose primary objective is to reduce peak electric demand and provide measurable grid benefits. Accordingly, incentive levels are established based on the value of delivered peak demand reduction and overall program cost-effectiveness rather than the economics of any specific technology. While external incentives and market conditions may influence customer adoption of certain technologies, the ConnectedSolutions incentive structure is intended to reflect the value of demand reduction provided to the electric system and Rhode Island customers.

8. Background Energy Adjustments

Comment: Stakeholders raised several related concerns about the proposed Background Energy Adjustment approach. Comments focused on the need to better explain the expected system value, including how the approach would reduce peak demand or support grid needs; provide additional justification for forecasted participation; clarify program design, enrollment, and customer experience; and explain how the offering would interact with BYOT and other ConnectedSolutions pathways.

Stakeholders also expressed concern that Background Energy Adjustments could create customer confusion or compete with BYOT recruitment if not clearly communicated. Commenters recommended that participation be voluntary, clearly explained, and non-exclusive where appropriate. They also recommended that Rhode Island Energy consider piloting the approach with a subset of customers before broader rollout and establish EM&V, including attrition monitoring, to evaluate customer participation, operational impacts, interactions with existing pathways, and measurable system benefits. (1, 3, 4)

Response: The Company's intent is for Background Energy Adjustments to serve as an operational enhancement that supports the program objective of reducing regional coincident peak demand. The offering will expand the portfolio of available resources while complementing, rather than replace existing pathways such as BYOT.

Background Energy Adjustments differ from traditional ConnectedSolutions pathways because customers do not directly enroll in ConnectedSolutions and do not receive a ConnectedSolutions incentive. Instead, customers voluntarily enable energy optimization features through their device manufacturer, often during device installation or setup. Rhode Island Energy recognizes stakeholder concerns regarding customer confusion and has revised the proposal to better explain the customer journey, customer controls, and enrollment process (Sections 5.2 and 5.3.4).

During 2025, Rhode Island Energy evaluated several pilot event opportunities and reviewed OEM-provided load reduction data to better understand potential demand reduction impacts. The resulting performance assumptions were incorporated into the Company's benefit-cost analysis. The analysis indicated favorable unit costs, spending efficiency, and net benefits relative to other demand response resources.

To avoid double counting of impacts, devices participating in Background Energy Adjustments will not simultaneously participate in the ConnectedSolutions BYOT pathway. Rhode Island Energy continues to view BYOT as its primary thermostat-based demand response offering and intends for Background Energy Adjustments to provide an opportunity to capture incremental demand reductions from customers who may not otherwise enroll in an incentive-based demand response program.

At the end of each year, the Company will assess participation levels, customer experience, realized load reductions, and overall program performance.

9. Winter Demand Response

Comment: Several stakeholders supported Rhode Island Energy's proposal to evaluate winter demand response during the 2027-2029 period and encouraged the Company to take additional steps to position ConnectedSolutions for future winter demand response implementation. Commenters noted that increasing electrification, growing winter demand, and ISO-NE's planned transition to a seasonal capacity market beginning in 2028 may create a need for winter demand response before New England becomes a winter-peaking region. Stakeholders

recommended that Rhode Island Energy explore opportunities to recruit winter demand response resources from existing program participants, evaluate winter-specific incentive structures, and consider implementation of a winter demand response offering during or shortly after the 2027-2029 plan period. Commenters also recommended monitoring winter demand response programs and related initiatives in neighboring states and utilizing lessons learned to inform future program design. In addition, stakeholders encouraged Rhode Island Energy to evaluate how demand response resources could help mitigate future transmission infrastructure costs associated with electrification-driven load growth and position the Company for future winter and transmission-focused demand management offerings. (1, 2, 6, 7)

Response: Rhode Island Energy appreciates stakeholders' feedback regarding winter demand response and agrees that increasing electrification, evolving market structures, and future system needs warrant continued evaluation of winter demand response opportunities. The Company intentionally included Winter Demand Response in the 2027-2029 proposal to establish a foundation for future program development, including assessment of customer participation potential, eligible technologies, achievable load reduction, market readiness, and high-level program design considerations.

The Company acknowledges stakeholder comments regarding ISO-NE's transition to a seasonal capacity market and the potential long-term value of winter demand reductions. Rhode Island Energy will continue monitoring regional market developments, winter demand response activities in neighboring states, and emerging best practices to inform future program design. Rhode Island Energy will also evaluate how demand response resources may support evolving system needs, including potential impacts on future transmission and capacity costs.

At this time, however, the Company believes that an assessment-focused approach during the 2027-2029 period remains the most prudent path forward. The insights gained through these activities will position Rhode Island Energy to make informed decisions regarding potential winter demand response offerings in future implementation plans.

10. Daily Dispatch Incentive, Multi-Year Rate Lock, and Daily Dispatch Performance Factor

Comment: Several stakeholders raised concerns regarding the proposed reduction in the Daily Dispatch incentive rate for new C&I participants from \$275/kW to \$200/kW. Commenters requested additional justification demonstrating that the

proposed reduction represents the most cost-effective approach for delivering peak demand reduction and argued that the proposed rate may not adequately reflect current market conditions. Some stakeholders stated that a higher incentive level could continue to satisfy cost-effectiveness requirements while supporting customer participation and long-term program growth. Commenters also expressed concern that the proposed reduction, combined with rising project costs and evolving market conditions, may adversely affect the economics of battery storage and other demand response resources. (3, 5, 7)

Response: Rhode Island Energy appreciates stakeholders' feedback regarding the proposed Daily Dispatch incentive level. The proposed reduction was developed based on an evaluation of avoided electric bill costs, historical program experience, expected participation, and overall program cost-effectiveness. The Company seeks to right-size incentives and balance participant compensation with the value created for Rhode Island customers through avoided electric system and supply cost reductions. Rhode Island Energy recognizes that market conditions continue to evolve and considered these factors in developing its proposal.

While battery storage systems represent an important and growing segment of program participation, the primary objective of ConnectedSolutions is to reduce regional coincident peak demand and deliver system benefits to Rhode Island customers, regardless of the technology used to achieve those reductions. The program is designed to be technology-agnostic and compensates participants based on delivered demand reduction performance rather than providing technology-specific incentives. As a result, incentive levels are established based on the value of peak demand reduction and overall program cost-effectiveness, rather than the economics of any individual technology type.

Based on the Company's current benefit-cost analysis, forecast assumptions, and program objectives, the proposed \$200/kW incentive is expected to support continued participation while maintaining cost-effective procurement of peak-demand reductions. The Company therefore proposes to retain the Daily Dispatch incentive level included in the draft proposal.

Comment: Multiple stakeholders commented on the need for greater incentive certainty, particularly for battery storage and other C&I projects with significant upfront capital costs and long development timelines. Stakeholders expressed

concern that proposed language indicating incentive rates are subject to future review, approval, and program availability may reduce project financeability and customer confidence. Commenters recommended strengthening rate certainty by maintaining longer-term incentive commitments, clarifying the duration and applicability of multiyear incentive rates, expanding Commitment Letter protections, and providing additional clarification regarding enrollment timing and incentive eligibility. Specific recommendations included restoring a true five-year rate lock, extending Commitment Letter terms and eligibility, clarifying when committed rates begin and end, removing language that limits certainty beyond the 2027-2029 implementation period, and addressing a potential enrollment gap in the Daily Dispatch incentive schedule. (3, 5, 7)

Response: Rhode Island Energy appreciates stakeholders' feedback regarding incentive certainty and recognizes that predictable program revenues can be an important consideration for customer investment decisions. The Company clarifies that a participant's multiyear Daily Dispatch incentive rate is established based on the incentive rate in effect when the participant first enrolls in the Daily Dispatch offering. Subject to continued eligibility, participation, program availability, and applicable regulatory approval, a participant's multiyear Daily Dispatch incentive rate is established based on the rate in effect when the participant first enrolls and is intended to remain in effect for the participant's first five performance seasons. Following the fifth season, continued participation would be subject to then-current program terms and incentive levels. Consistent with this structure, Rhode Island Energy intends to honor the existing \$300/kW and \$275/kW multiyear incentive rates for participants that remain within their first five seasons of Daily Dispatch participation during the 2027-2029 implementation period.

Rhode Island Energy also proposes to continue offering Incentive Commitment Letters for qualifying battery storage projects under development. A Commitment Letter reserves the applicable incentive rate during the approved development period, subject to the conditions stated in the letter. Once the project begins participation, its multiyear incentive treatment will be governed by the Daily Dispatch provisions applicable to its enrollment cohort, subject to continued eligibility, program availability, and regulatory approval.

Together, the multiyear incentive rate and Commitment Letter offerings are intended to provide additional certainty to participants and project developers while supporting continued program participation.

Because program funding and incentive levels remain subject to regulatory review and approval, the Company cannot guarantee incentive levels beyond approved program years. However, Rhode Island Energy intends to honor established multiyear rates to the fullest extent permitted by future regulatory approvals and program funding.

Comment: One stakeholder noted that the proposed Daily Dispatch incentive schedule does not specify an incentive rate for participants enrolling between October 1, 2026 and March 31, 2027. The stakeholder expressed concern that this creates uncertainty regarding participant eligibility and incentive treatment during a period when customers and developers may be making enrollment decisions for the 2027 season. The stakeholder requested clarification regarding the intended treatment of these participants and the rationale for the proposed enrollment cohort dates. (5)

Response: The proposed cohort dates reflect the Company's practice of opening enrollment for each upcoming peak season on April 1. Accordingly, the period from October 1, 2026 through March 31, 2027 is not an enrollment cohort for the 2027 season. Customers and developers may communicate their interest during this period, but formal enrollment for the 2027 season will begin when the program opens, subject to regulatory approval. New participants enrolling for the 2027 season will be eligible for the proposed \$200/kW Daily Dispatch incentive rate. The Company will revise the proposal and incentive schedule to clarify this timing and treatment.

To avoid confusion, Rhode Island Energy will clarify the proposal, as appropriate, to better explain the enrollment timeline, participant eligibility, enrollment cohort dates, and applicable incentive treatment for prospective participants during this period.

Comment: Several stakeholders expressed general support for the proposed Daily Dispatch Performance Factor and the principle of aligning participant compensation with delivered performance. Stakeholders generally supported delaying implementation until 2028 and using the 2027 season as a transition

period to allow participants and Curtailment Service Providers ("CSPs") time to adapt to the new framework. Commenters requested additional clarification regarding enrollment nominations and the ability to adjust enrolled values during the season when participant capabilities change. Stakeholders also provided feedback on the proposed tiered structure, including suggestions to reduce complexity, mitigate potential "cliff effects," and consider alternative approaches such as continuous scaling, minimum performance thresholds, or compensation based solely on realized load reduction. Finally, stakeholders expressed differing views regarding whether the Performance Factor should be applied at the individual participant level or at the portfolio level and requested additional justification regarding the proposed Daily Dispatch incentive structure and its relationship to program cost-effectiveness. (1, 2, 3, 5, 7)

Response: The Company agrees that participants and CSPs should have adequate time to prepare for this change and therefore proposed a 2027 transition year during which Performance Factor results will be communicated through scorecards but will not affect incentive payments. Full implementation would begin in 2028.

The Company intends to provide additional guidance regarding enrollment nominations and the circumstances under which enrollment values may be adjusted during the season. Rhode Island Energy believes the proposed framework strikes an appropriate balance between participant flexibility, accountability, and reliable peak demand reduction.

Rhode Island Energy considered alternative approaches to performance evaluation but continues to believe that applying the Performance Factor at the individual participant level best aligns compensation with realized performance and strengthens accountability for delivered load reduction. While some stakeholders expressed concern regarding potential "cliff effects" between performance tiers, Rhode Island Energy believes these distinctions are appropriate and necessary to encourage accurate enrollment nominations and reliable load reduction. The Company's objective is for participants to achieve Tier A performance, and the proposed 2027 transition year provides participants and CSPs an opportunity to assess Performance Factor results and adjust enrollment strategies prior to implementation in 2028.

Finally, the proposed Daily Dispatch incentive structure and Performance Factor were developed to support the Company's objectives of reliability, prudence, and cost-effectiveness by aligning participant compensation with delivered system value and maximizing the benefits provided to Rhode Island customers through avoided electric system and supply costs.

11. Targeted Dispatch Incentive

Comment: Two stakeholders recommended that Rhode Island Energy increase the Targeted Dispatch incentive from \$35/kW to \$45/kW. Commenters stated that a higher incentive level would better align Rhode Island Energy's Targeted Dispatch offering with comparable demand response programs in neighboring states and better reflect current market conditions and the costs associated with delivering reliable load reductions. Stakeholders also indicated that a more competitive incentive could support customer participation, enrollment growth, and the continued strength of the Targeted Dispatch pathway. (2, 7)

Response: Rhode Island Energy appreciates stakeholders' feedback regarding the Targeted Dispatch incentive level. In developing the proposed incentive structure, the Company evaluated historical participation, program performance, expected costs, and overall program cost-effectiveness. Rhode Island Energy has not observed material attrition in the Targeted Dispatch pathway under the existing \$35/kW incentive and continues to receive new enrollments. The Company therefore believes the current incentive level remains sufficient to support participation and achieve the objectives of the Targeted Dispatch pathway.

While Rhode Island Energy acknowledges that neighboring states offer higher Targeted Dispatch incentive levels, the Company utilizes its own cost-effectiveness framework, avoided cost assumptions, and program design considerations when establishing incentive levels. The proposed \$35/kW incentive reflects Rhode Island Energy's assessment of the value provided by the pathway and is intended to balance participant compensation with prudent use of customer-funded program resources. Accordingly, Rhode Island Energy proposes to retain the Targeted Dispatch incentive level as filed.

Comment: One stakeholder supported continued dual enrollment in the Daily Dispatch and Targeted Dispatch pathways and requested clarification regarding compensation for dual-enrolled participants. Specifically, the stakeholder requested confirmation that dual-enrolled participants may receive incentive

payments under both pathways when events overlap and that the Daily Dispatch Performance Factor will not affect Targeted Dispatch incentive payments. (5)

Response: The Company confirms that the proposed Daily Dispatch Performance Factor applies only to Daily Dispatch incentive payments and does not affect Targeted Dispatch incentive payments.

Rhode Island Energy also notes that the ConnectedSolutions program has historically allowed participation in both the Daily Dispatch and Targeted Dispatch pathways. Consistent with the program's existing design, dual-enrolled participants may receive incentive payments under both pathways; however, participant performance is calculated in a manner that prevents double-counting of the same load reduction during overlapping event hours. This methodology has been part of the program's measurement and verification framework and will continue under the proposed program design.

12. Coincident Peak Tariff

Comment: One stakeholder recommended that Rhode Island Energy consider allowing customers to opt into a coincident peak tariff, similar to offerings available in neighboring states. The commenter stated that this type of tariff could increase customer participation, provide additional customer savings opportunities, and support peak reduction by encouraging customers to reduce demand during the highest-value system peak periods. (6)

Response: The design, implementation, and evaluation of retail tariff structures are outside the scope of this ConnectedSolutions Investment Proposal.

The purpose of ConnectedSolutions is to procure peak demand reduction through incentive-based demand response offerings and to compensate participating customers based on the demand reduction benefits provided to the electric system. The Company's benefit-cost analysis already accounts for the system benefits associated with reducing peak demand through ConnectedSolutions participation. Rhode Island Energy therefore believes that the proposed ConnectedSolutions pathways appropriately capture and compensate the demand reduction value that participating customers provide through the program. Accordingly, the Company is not proposing a coincident peak tariff in this filing.

13. BCA and Budget

Comment: One stakeholder expressed concern that the BCA model uses an older 1-year RNS rate forecast and recommends using the latest available ISO-NE forecast. (1)

Response: Thank you for pointing out a more up to date RNS rate forecast from ISO-NE. Rhode Island Energy has updated the ConnectedSolutions BCA model with new forecasted RNS values from the ISO-NE's latest presentation from August 26, 2026 (URL: https://www.iso-ne.com/static-assets/documents/100038/a2.8_pac_rns_rate_forecast.pdf)

Comment: One stakeholder suggested to include budget to study impacts of background energy adjustments over the 3-year implementation plan. (1)

Response: The Company intends to monitor participation, customer experience, and realized load reduction performance through existing program administration and evaluation activities.

Comment: One stakeholder expressed concern that the proposed marketing budget will not go very far for a direct-to-consumer program and recommended considering more spending to market program offerings. (1)

Response: The Company appreciates this feedback and values the encouragement to increase budget amounts. Customer outreach, education, and engagement activities are primarily managed through existing internal resources and broader customer communications efforts. The most effective budgeting comes from our partnerships with the Implementation Vendor and device OEMs. Accordingly, and to keep overall program cost effective, the Company is not proposing additional marketing expenditures as part of this filing.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")

Responses to Stakeholder Comments

C-Team Comments

C-Team, the EEC consultant team, submitted written comments to Rhode Island Energy and the Council on August 30, 2026.

<i>Comment ID</i>	Full Original Comment	Recommendation/Proposed Language
C-Team-1	Generally supportive of plans to increase investment in DR resources and expand fleet capacity. Revisions needed to take more concrete actions towards getting value out of AMI and other grid mod investments to target circuit level peaks as committed to in RIE's 2024-2026 SRP and CS Investment Proposal. See recent MA CS+ presentation: https://ma-eeac.org/wp-content/uploads/Connected-Solutions-Update-For-Posting-v25523139.pdf	
C-Team-2	Right-sizing incentive for storage makes sense, but RIE is using 2024 AESC and we're about to get a full re-fresh. Would be advisable to wait on major changes to incentive levels until you know what you are right-sizing to. Also recommend aligning incentives w/ offer provided in other ConnectedSolutions branded programs in the region to avoid RI having anomolous rebate levels.	
C-Team-3	RIE is planning to increase BYOT participation by a net of 8,470 from 2027-2029 compared to July 2026 levels but only plans to provide incentive for 8,226 WiFi T-stats in its EE 2027-2029 EE plan. Where is the extra participation coming from? Does RIE intend to enroll 100% of new devices + recruit from past program participants? Does RIE expect attrition from current participants?	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

C-Team-4	One council priority was to expand the portfolio of DR options, and this offering does this. However, concerns are 2-fold: 1) At TWG, RIE stated that customers are offered both program options. Given the high recruitment lift needed to hit RIE's ambitious BYOT goals in this plan, concerns that this option will compete for those participants. Suggestion would be to pilot this w/ a subset of T-stat customers who have enabled OEM settings already but not actively market it to new participants - where BYOT should be prioritized for its higher impacts. 2) Needs EM&V plan to ensure internally estimated savings claims stand up to third party evaluation. For customers who have already enabled background energy adjustments, OEM has their consent to make adjustments. However, does calling events at higher frequency erode customer willingness to participate and lead to attrition over time?	
C-Team-5	Implementing performance standards to drive accountability aligns w/ council priorities. Structure as proposed seems somewhat complicated and RIE should solicit feedback during 2027 grace period before committing to implementing as designed. Alternative structure could simply pay based on realized load shed (w/ no caps at 130%) and implement a simple minimum threshold to remain in the program (Straw proposal: 50% enrolled capacity).	
C-Team-6	Use AMF and grid mod investment to actually target distribution peaks, as indicated in last SRP cycle. Start by piloting a ConnectedSolutions+ type offering in a constrained area, using AMI to measure impacts. Can be load based constraint or generation-based constraint (solar soaking). See recent MA CS+ presentation:	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

	https://ma-eeac.org/wp-content/uploads/Connected-Solutions-Update-For-Posting-v25523139.pdf	
C-Team-7	Use AMF to communicate more granular customer usage information and market CS programs. Showing customers how concentrated their usage is during certain times of day can better demonstrate why DR programs like ConnectedSolutions provide value. Green Mountain Power has had AMI for years and provides customers w/ weekly energy reports, as well as a breakdown of % of usage per bill cycle across 6 standard windows/times of day (4-8am, 8am-noon, noon-4pm, 4-8pm, 8pm-midnight, midnight-4am) https://greenmountainpower.com/wp-content/uploads/2020/03/Sample-Energy-Statement.pdf	
C-Team-8	Marketing budget of \$6k will not go very far for a direct-to-consumer program. Recommend considering more spending to market program offerings, unless customer engagement and retention efforts are handled through the much larger STAT budget	Budget more marketing, through OEM if necessary as that seems to be most effective delivery channel.
C-Team-9	No EM&V budget	Include budget to study impacts of background energy adjustment offer over the 3yr plan
C-Team-10	No explicit mention of heat pumps (HPs) in the text. Increasing number of smart/DR-enabled thermostats are being installed to control HPs. If HPs were to be acknowledged as a key DR opportunity, then coordination/co-marketing should probably be both with RIE's HP EE efforts and with OER's Clean Heat Program.	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

C-Team-11	BCR model is using 1-year old RNS rate forecast: https://www.iso-ne.com/static-assets/documents/100025/pac_2026_rns_rate_forecast_rev1_redline.pdf	Please use latest available: https://www.iso-ne.com/static-assets/documents/100037/a02.2_tc_rns_rate_forecast.pdf
C-Team-12	As noted at 8/20 EEC meeting by NRG/CPower, shift to prompt and seasonal capacity market in 2028, during this plan period, will drive increased demand for non-summer dispatch	Begin to recruit non-summer DR capacity from current CS participant pool with commensurate Winter DR offer (and different incentive if necessary based on seasonally adjusted WTP for peak demand reduction)

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

Enel-X Comments

Enel-X, a curtailment service provider, submitted written comments to Rhode Island Energy on August 31, 2026.

<i>Comment ID</i>	Full Original Comment
<i>Enel X-1</i>	We believe that the incentive levels are scaled to an appropriate amount to encourage customer participation and accurate nomination values. Instituting the Performance Factor in the 2028 season would give CSP's the adequate opportunity to communicate changes with customers and test nomination strategies in the upcoming 2027 season.
<i>Enel X-2</i>	We believe that there needs to be further communication of guidelines for submitting nominations and if values can be changed by customers mid-season. If operating conditions out of the customer's control are impacting the expected performance of the site, Enel believes that it would be fair to allow adjustments so an engaged customer is not overly penalized.
<i>Enel X-3</i>	Enel believes that the Performance Factor adjustment should be applied at an aggregator level, rather than an individual customer level. Applying the Performance Factor at a Participant level does not allow Enel and other CSP's to fully leverage the power of our entire portfolio, where overperformance from our other customers may compensate for other underperformance situations. For example, under these rules Enel may provide the agreed upon MW and still be paid out at a lesser incentive rate, depending on which customers were curtailing & underperforming/overperforming relative to their nominations. ISO-NE, other utilities, and FERC all recognize that portfolios and aggregation enable CSPs and the grid to realize benefits of diversity among customers.
<i>Enel X-4</i>	We are in favor of exploring a winter demand response season to accommodate increased winter demand. Enel has heard interest from customers in winter demand response and believes that instituting such a program would provide measurable benefits to the reliability of the grid.
<i>Enel X-5</i>	Enel supports Rhode Island Energy's plans to honor existing multiyear incentive rates to the best of their ability. We propose that the Targeted Dispatch pathway align its incentive rates with that of neighboring states, such as MA at \$45/kW.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

Enel X-6 The existing \$275/kW Daily Dispatch rate is extremely competitive and serves to advance investment in battery assets to participate in the program, making it financially viable to develop these costly but reliable projects.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

Green Energy Consumers Alliance Comments

Green Energy Consumers Alliance, a stakeholder organization, submitted written comments to Rhode Island Energy on August 27, 2026.

Comment ID **Full Original Comment**

GECA-1	We believe this proposal and any future proposals should explicitly include discussion of the role of ConnectedSolutions in achieving Rhode Island's broader climate goals that are outlined in the state's Climate Action Strategy as well as in the Act On Climate. Rhode Island Energy will need to be deliberate in working OER, EC4, and RIPUC to create a strategic plan on how demand response through ConnectedSolutions can help the state achieve peak demand and emissions reductions, and discussion of this strategic vision should be included in SRP Investment proposals such as these. In addition we request more clarity and rationale behind the levels of incentives set for each of the pathways, as well as more in-depth justifications for the decreases in incentive levels for the RSB Battery pathway and the C&I Daily Dispatch pathway.
GECA-2	We request that for each pathway where there is a proposed change in the incentive level, there be included an in-depth explanation as to why the change in incentive is necessary. This explanation should include analysis that demonstrates that the proposed incentive level is able to deliver the maximum amount of peak load reduction while fairly compensating participants for providing these grid services. In addition, we believe that incentive levels should be considered independently of the existence of state programs and rebates towards the relevant technologies, as incentives provided through ConnectedSolutions should be based on the tangible benefits provided to the grid from peak demand reduction and should not be based on the ease of acquiring the relevant technologies, as this is not directly related to performance achieved in ConnectedSolutions
GECA-3	We request greater clarity into the methodology of how the forecasting for each pathway was done. In particular, we do not understand why Rhode Island Energy expects such high participation in the background energy option, in which customers have no incentive to participate.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

GECA-4	We believe that the inclusion of Background Energy Adjustments will create confusion among program participants (namely those participating in the BYOT pathway) as to which of the pathways to enroll in. More focus should be directed towards improvements to the BYOT pathway, as it has a proven track record of delivering peak demand reduction and is already well known and understood by customers. If Background Energy Adjustments are included as a potential pathway, it should not be mutually exclusive and preclude enrollment in other pathways, such as BYOT. We would also like to see justification into the estimated participant and estimated load reduction amounts for the Background Energy Adjustment pathway, as there is currently no incentive to customers to participate in this potential pathway. If this pathway is offered, it should be clearly marketed as a voluntary mechanism that is separate from the other pathways that include a compensation component.
GECA-5	We are generally supportive of the tiered structure of the Daily Dispatch performance factor framework. Compensation to customers should be based on the value their resources are able to provide to the grid, so this framework creates a system that can facilitate this goal. However, more clarification and information on the decrease in the Daily Dispatch incentive should be provided, with rationale showing that decreasing the incentive is the best way to deliver the greatest amount of peak demand reduction at the least cost.
GECA-6	As mentioned previously in question 1, collaboration between RIPUC, EC4, and OER will be needed to create a strategic plan on how demand response through ConnectedSolutions can help the state achieve peak demand and emissions reductions, and discussion of this strategic vision should be included in SRP Investment proposals such as these.
GECA-7	Several of the incentives offered through the pathways have changed many times over the past few years, with pathways such as RSB Battery seeing a potential fall of \$200 in the incentive offered in a short span of time. Customers and OEMs need to have more certainty on the level of incentives that will be available in order to factor the compensation into their decision to invest in these vital technologies that can help reduce peak demand. If the budgets for ConnectedSolutions are approved on 3-year cycles, the incentive rate should be locked in for a minimum of 3 years in order to give customers and OEMs price certainty going forward.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

GECA-8	We support the changes to the BYOT and EVDR pathways that require customers participate in at least one demand response event per season in order to receive the yearly incentive. We also support the decision to remove the eligibility for fossil fuel back-up generators from participating in the C&I pathways going forward.
GECA-9	More detail should be included on how RIE will consider alignment of ConnectedSolutions program design with ISO-NE market requirements
GECA-10	in section 5.1.3 regarding the implementation vendor, the vendor should be named if possible

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")

Responses to Stakeholder Comments

Newport SolarComments

Newport Solar, a stakeholder organization and battery installer, submitted written comments to Rhode Island Energy on August 27, 2026.

Comment ID **Full Original Comment**

<i>Newport Solar-1</i>	Overall the draft proposal reads very much like the existing program guide. It could be helpful to add tables explaining what incentive level RSB battery participants should expect to receive during each year of program participation. It is not entirely clear what rate customers can expect and for how long that rate is "locked in" in each scenario (page 22). It seems like 5 year rate lock is still in effect. For additional years, is there a 3 year rate lock?
<i>Newport Solar-2</i>	It is our opinion that BYOT, and EVDR incentive levels are too low to attract customer participation. Customers are unlikely to be willing to give the utility access to their devices without a greater incentive to do so. The RSB battery incentive should be increased to attract higher participation as well. State level incentives for batteries have increased in response to the loss of the Federal Tax Credit for these systems. That said, the incentives remain highest for energy storage paired with new solar, or low income battery add ons. Raising the CS incentive may help attract customers with existing solar arrays to add energy storage. There are also scenarios in which the existing utility infrastructure cannot handle the addition of solar/battery without transformer upgrades. These costs which generally range from \$5000 to \$9,000 (for small scale projects) are passed to utility account program. It feels important to note that battery systems will not export to the utility unless participating in the connected solutions program. Thus customers are paying for utility upgrades that benefit the utility, or limiting the export of their system which is of no benefit to demand response. These costs and their frequency should be considered when evaluating the appropriateness of the incentive level. As a final note, we also believe the HEAT Loan should become an option for all customers once again. This was an attractive option when available prior to 2024. We have had zero customers utilize the HEAT LOAN from 2024-2026.
<i>Newport Solar-3</i>	It seems appropriate to use data from the battery implementors for participation forecasting.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

Newport Solar-4	The proposal does not clearly communicate what the system value will be.
Newport Solar-5	We do not have any projects participating in this pathway and are not able to provide valuable input on the proposed structure.
Newport Solar-6	RI Energy sends out a mailing to homeowners showing how their energy usage compares to their neighbors. This mailing actually shows how electricity usage compares amongst neighboring homes and isn't a metric of efficiency. Perhaps a note could be added to clarify that , and to note some different incentive options RI Energy has available for efficiency and grid resilience.
Newport Solar-7	As stated initially, it could be helpful for customers to add tables explaining what incentive level RSB battery participants should expect to receive during each year of program participation. It is not entirely clear what rate customers can expect and for how long that rate is "locked in" in each scenario (page 22). It seems like 5 year rate lock is still in effect. For additional years, is there a 3 year rate lock?

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")

Responses to Stakeholder Comments

Oak Square Partners Comments

Oak Square Partners, an active participant in the development of solar, battery energy storage, and solar-plus storage projects in New England, submitted written comments to Rhode Island Energy on August 28, 2026.

<i>Comment ID</i>	Full Original Comment	Recommendation/Proposed Language
<i>Oak Square-1</i>	Our comments address Section 5.4 Commercial and Industrial ("C&I") track. They reduce to one concern: the proposal combines a 27% reduction in the Daily Dispatch incentive rate, a shortened period of rate uncertainty, and a new Performance Factor haircut – and applies all three at once to the pathway that carries the highest capital cost and longest development timeline of any in the program. It does so while forecasting the same pathway to grow more than 50%. We do not believe RIE intends that outcome, and its own cost-effectiveness analysis shows there is room to avoid it.	
<i>Oak Square-2</i>	Section 5.4 already provides that C&I participants may enroll in DD, TD, or both. We support the continuation of dual enrollment. Our comments concern how dual enrollment is compensated and measured. TD's eight events include the single peak load hour of the year and seven other high peak days (p.32). By construction, these are the hours carrying the greatest avoided capacity, RNS, and transmission value in RIE's own value stack (Appendix 4, p.80). DD's up-to-60 events necessarily include lower-value hours.	1. Allow DD and TD values to be stacked – Confirm in the final SRP proposal that a dual-enrollment participant is compensated under both DD and TD schedules for the same kilowatts on an overlapping event day, with no netting or offset. 2. Confirm the DD Performance Factor applies only to DD payments and does not reduce TD payments, consistent with RIE's stated intention to maintain TD without a Performance Factor (p.28). 3. Reconsider the \$35 / kW TD rate, which is unchanged for the plan period. If those eight events are the highest-value hours on the system, a rate held flat while avoided capacity, RNS, and

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

		transmission values rise each year (Appendix 4, p.80) understates their value and under-incentivizes performance precisely when it matters most, specifically during critical peak events.
Oak Square-3	A gap exists for the 2027-2029 Incentive Rate between a) Enrolled between June 1, 2024 and on or before September 30, 2026 and b) Enrolled on or after April 1, 2027. Table 2 assigns no incentive rate at all to participants enrolling between October 1, 2026 and March 31, 2027. This gap spans the period during which RIE will file this proposal (on or before November 21, 2026) and during which customers and developers will be making 2027-season enrollment decisions. Left unresolved, it creates a two-quarter dead zone in the enrollment pipeline at precisely the moment RIE is forecasting DD growth.	1. Allow for \$275 / kW if enrolled between June 1, 2024 and March 31, 2027. This closes the gap and encourages enrollment ahead of the proposed rate reduction. It would be helpful for RIE to explain the selection of April 1, 2027 as the start of the \$200 / kW enrollment cohort, given that the performance season begins June 1.
Oak Square-4	The DRAFT proposal states an intention to offer the DD multiyear incentive rate "for the first five years for new participants" (p.29). In practice that intention carries no regulatory weight: only the 2027-2029 period is proposed for approval – every rate in Table 2 is footnoted "subject to review, approval, and program availability" and Section 5.2 states that RIE "explicitly reserves the right to amend incentive levels if warranted" (p.18). A participant enrolling in 2027 therefore has at most three years of rate certainty, and less if enrolling midway through RIE's three-year SRP	1. Size incentive rate reduction to something the market can absorb. 2. Restore term to five years so that the rate is worth what RIE intends it to be worth. 3. Allow for the multiyear incentive rate to be valid for five performance seasons from a participant's first season of participation. 4. Extend Commitment Letter term from two years to three performance seasons post-enrollment to match realistic Rhode Island interconnection, permitting, and procurement/construction

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

	plan. A reduction in the incentive rate term adds revenue uncertainty in the short-term – projects must incur significant capital expense in order to receive performance-based revenue “subject to review, approval, and availability” – and the long-term – post-multiyear incentive rate. Both have negative implications for financeability and returns. The financeability consequence is quantifiable without disclosing project-level data. Lenders and tax equity size debt against revenue they can underwrite, and revenue expressly subject to regulatory review is typically assigned little or no value (after the multiyear incentive rate “lock”). On that basis the change in underwritable revenue is considerably larger than the change in headline rate: o \$275 / kW across five seasons = \$1,375 / kW of nominal underwritable revenue o \$200 / kW across three approved seasons = \$600 / kW = ~56% reduction o \$240 / kW across five seasons = \$1,200 / kW = ~13% reduction from status quo	timelines. 5. Remove the “through the 2029 peak season” backstop. 6. Confirm that the committed rate then runs for the full multiyear term measured from the first season of participation, not merely through construction. 7. Extend eligibility beyond “new battery storage systems larger than 50 kW AC” to any C&I resource requiring capital deployment and interconnection.
Oak Square-5	Reconsider the proposed reduction of DD performance incentive rate from \$275 / kW to \$200 / kW, and set the rate for new 2027-2029 enrollment at no less than \$240 / kW. \$240 / kW remains cost-effective under RIE’s own Rhode Island test. Appendix 1, Tables 7-9 show C&I benefit/cost ratios of 1.21 (2027), 1.22 (2028), and 1.29 (2029). Applying \$240 / kW to every forecast DD kilowatt in Table 3 yields ratios of 1.05, 1.05, and 1.11. The requested rate does not put cost-effectiveness at risk; it reallocates part of a surplus RIE’s own analysis shows to exist. The C&I	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

	track is already the thinner-margin track: 1.21-1.29 vs 1.88-2.01 for the residential track (Tables 7-9). Yet C&I is the track receiving both the rate reduction and Performance Factor. Federal legislation on tax credit requirements and tariffs have added upward cost pressure on the equipment side. The proposal reduces compensation into a rising cost environment.	
Oak Square-6	We support the principle of paying for delivered performance. As drafted, however, the tier structure creates cliff effect that are difficult to finance and that penalize participants disproportionately to the size of the shortfall. For example, a participant delivering 70% of its enrolled load shed receives 100% of its calculated incentive but a participant delivering 69% of its enrolled load shed receives 80% of its calculated incentive. A 1% difference in delivered performance changes revenue by ~21%.	Replace the tiers with a continuous performance factor – linear scaling of the incentive between a defined floor and full performance. If tiers are retained, narrow the step size and add transition bands.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

RTX/Raytheon Comments

RTX/Raytheon, an active participant in ConnectedSolutions, submitted written comments to Rhode Island Energy on August 12, 2026.

Comment ID **Full Original Comment**

<i>RTX/Raytheon-1</i>	The approach to winter demand response seems reasonable but three years should be enough to roll out a winter DR program in 2030. I suggest RI monitor results with MA programs and adopt what is working well such as MA Clean Peak program and coincident peak tariffs with National Grid and Eversource.
<i>RTX/Raytheon-2</i>	RIE should consider allowing customers to opt into a coincident peak tariff similar to NGrid and Eversource in MA. This would like drive greater participation and results due to additional cost savings for most customers.
<i>RTX/Raytheon-3</i>	Curtailement service providers should do a good job understanding and explaining details to customers and potential customers.
<i>RTX/Raytheon-4</i>	RIE should consider allowing customers to opt into a coincident peak tariff similar to NGrid and Eversource in MA. This would like drive greater participation and results due to additional cost savings for most customers.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

NRG/C-Power Comments

NRG/C-Power, a curtailment service provider, submitted written comments to Rhode Island Energy on August 28, 2026.

<i>Comment ID</i>	Full Original Comment	Recommendation/Proposed Language
NRG/CPower-1	It is very difficult to justify a battery in Rhode Island without a true rate guarantee for 5 years	Revise the following sentence to omit the portion after the comma: It is Rhode Island Energy's intention to offer this multiyear incentive rate for the first five years for new participants, however incentive levels after 2029 are subject to review and approval.
NRG/CPower-2	It is very difficult to justify a battery in Rhode Island without a true rate guarantee for 5 years	Delete the following: Also, please note that the multiyear incentive represents Rhode Island Energy's intentions; it is not a guarantee of incentive levels. Annual incentive levels are subject to change pending review and approval.
NRG/CPower-3	It is very difficult to justify a battery in Rhode Island without a true rate guarantee for 5 years	Change the sentence below to say that the commitment letter will lock the incentive rate for the customer during construction, installation, and interconnection of the battery for up to five years after commercial operation. The Commitment Letter will lock the incentive rate for the customer during the construction, installation, and interconnection of the battery system for up to a maximum of two years, through the 2029 peak season.
NRG/CPower-4	It is very difficult to justify a battery in Rhode Island without a true rate guarantee for 5 years	Delete the following sentence: Please note that the Commitment Letter and multiyear incentive rate represents Rhode Island Energy's intentions; it is not a guarantee of incentive levels. Annual incentive levels are subject to change pending review and approval.
NRG/CPower-5	RIE should bring the targeted dispatch incentive rate in line with that used in other states to reflect the higher cost of providing a load reduction	Change the \$35 in the sentence below to \$45: Participants earn a performance incentive of \$35 per kW reduced on average during peak events.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

NRG/CPower-6	The transition to a seasonal capacity market in 2028 will drive the need for winter demand response well before the system transitions to a winter peaking system	Section 5.5 should be reworked to capture the near term need for winter demand response. Please see our written comments for more detail
NRG/CPower-7	Electrification driven load growth will create the need for significant transmission build out which will increase cost to customers. RIE should begin evaluating how to incent demand response that reduces the need for the transmission buildout in the future	The section on proposed strategy for 2027-2029 should be reworked to discuss plans to implement a winter program with 2028 and to position RIE to implement programs in 2030-2032 to target reduction in transmission costs. Please see our written comments for more details
NRG/CPower-8	ConnectedSolutions should be expanded to include a winter component. The Draft Proposal approaches winter demand response as a longer-term need associated with the expected shift to a winter-peaking region and therefore proposes an assessment-focused strategy rather than near-term change. While increasing winter peaks are	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

	certainly an important consideration, the Draft Proposal overlooks a more near-term development that necessitates planning for winter demand response now: ISO-NE's planned transition to a seasonal capacity market.	
NRG/CPower-9	The avoided cost study underway now should reflect the move to a seasonal capacity market. We understand that the 2028-2030 avoided cost study is now underway. It is critical that the study reflect ISO-NE's planned transition to a seasonal capacity market. Failing to account for this change would undervalue winter peak load reductions and result in avoided cost estimates that are misaligned with the needs of the future electric system.	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

NRG/CPower-10	NRG/CPower supports RIE's Daily Dispatch Performance Factor proposal provided performance factors are calculated at the customer level and implementation is no sooner than summer 2028. More specifically, the following items are key to our support: 1) calculating the performance factor at the customer level rather than the portfolio level, 2) implementation in 2028, and 3) allowing for mid-season adjustments to enrollment values.	
NRG/CPower-11	During the 2027-2029 period, RIE should evaluate how demand response can be used to mitigate future transmission costs. The increase in winter demand from electrification of heating and transportation will necessitate substantial transmission buildout which will increase transmission	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

	costs significantly in the coming years. The region can and should take action to contain these costs by designing programs aimed at reducing "transmission peaks". This will require coordination with ISO-NE to understand better when and where demand reductions can produce the most significant savings in transmission costs.	
NRG/CPower-12	The Incentive Rate for C&I Targeted Dispatch should be increased to bring it in line with rates in neighboring states. Rhode Island Energy should align its incentive with neighboring states by increasing the Targeted Dispatch rate to \$45/kW. A more competitive incentive would support enrollment growth and help ensure a more robust demand response program.	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

NRG/CPower-13	Changes are needed to create a viable pathway for behind-the-meter storage in Rhode Island. Taken together, the incentive cap, limited rate certainty, and lower incentive payments make C&I battery development in Rhode Island economically unviable in most cases.	
NRG/CPower-14	Performance factors should be calculated and applied at the customer level not the aggregate level. To avoid penalizing high-performing customers based on the performance of others, RIE should calculate performance factors at the individual customer level and pay CSPs based on the sum of each customer's performance-adjusted payment, rather than applying a single portfolio-level performance factor to each CSP's payment.	

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. XX-XX-EE
System Reliability Procurement Investment Proposal
2027-2029 Electric Demand Response
("ConnectedSolutions")
Responses to Stakeholder Comments

NRG/CPower-15	The Performance Factor proposal should not be implemented before summer 2028. This timeline will provide Curtailment Service Providers with sufficient time to update contractual arrangements, make any necessary modifications to their systems, and educate customers on the new Performance Factor methodology.	
NRG/CPower-16	Making weekend daily dispatches optional would improve performance and predictability. RIE should consider making participation in weekend dispatches optional and excluding weekend dispatch events from both payment and performance factor calculations for customers that choose not to participate.	