ENERGY EFFICIENCY COUNCIL
eec.ri.gov

Rhode Island Combined Heat & Power Annual Stakeholder Meeting

Thursday, November 12, 2026
3:00 – 4:00 PM

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

Agenda

3:00 - 3:05	Welcome & Introduction
3:05 - 3:30	Overview of Rhode Island's CHP Program *Mark Siegal, Rhode Island Energy*
3:30 - 3:45	CHP Financing Opportunities *Greg Miller, Rhode Island Infrastructure Bank*
3:45 - 4:00	Additional Stakeholder Discussion & Public Comment

About the EEC

The Energy Efficiency Council monitors the state's energy efficiency programs to maximize cost-effective energy savings for all Rhode Islanders through comprehensive stakeholder representation and expert technical evaluation.

- Visit eec.ri.gov to learn more about the EEC and RI energy efficiency programs
- Attend an EEC public meeting and participate in the energy efficiency planning process

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Rhode Island Energy CHP Offering

November 12, 2026

BUSINESS USE ©Rhode Island Energy

Agenda

- Eligible CHP Systems
- 2027-2029 CHP Offering as filed in Rhode Island Energy's Three-Year Plan
- CHP Notification Process
- Rhode Island Energy Three-Year Plan References

Combined Heat and Power ("CHP") Overview

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What is CHP?

- CHP is the simultaneous generation of electric and thermal energy, usually from a single fuel source

How It Works?

- A generator is coupled with an engine to produce electricity
- Heat that is normally rejected through the radiator and exhaust of the engine is captured for use

Where is the Efficiency?

- The captured heat is utilized for hot water, space heating, or manufacturing
  - The repurposed heat reduces the thermal fuel requirement that would otherwise be needed resulting in an overall efficiency of CHP systems can be as high as 85%

System Types

- Fuel Cell
- Combustion-Based CHP (rotational, linear generators) with total system efficiency ≥60%
- Systems (fuel cell or combustion-based) utilizing more than 25% opportunity fuels, renewable natural gas, or biogas as the fuel source

Summary of 2027-2029 CHP Offering (as filed)

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Category	Details, Changes from 2026 in BOLD
Eligibility	• **CHP project must provide lifetime emissions reduction relative to baseline, regardless of size** • Must be cost-effective under RI Test
Emissions Calculations	• **Clarified that emissions are to be calculated on a lifetime basis** • **Use AESC and EC4 emission factors** • Other related EE projects' emissions reduction can be included in calculation
Incentives	• No fixed incentive per kW; if eligibility criteria met, incentive will be negotiated. • **If eligibility criteria not met, RI energy will not offer an incentive.** • **O&M performance incentive eliminated, but proof of O&M contract still required**
CHP efficiency thresholds	60% for combustion-based system and fuel cells also still eligible
Notification	Process to notify Division for projects greater than 1 MW unchanged; **added specifications for notification package**

CHP Notification Process

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RIE required to notify DPUC, OER, and the EERMC:

1. A project description, providing all the pertinent details relating to the project.
2. A letter signed by a senior executive including, if available, what the customer would do otherwise with no incentive; company history of similar projects completed elsewhere; financial decision criteria used by the company to determine the project feasibility; how the project aligns with the customer's financial decision criteria without the incentive
3. A benefit cost analysis for the CHP project using the Rhode Island Test, as well as application of this test applying sensitivities related to the removal of economic benefits
4. A report including a natural gas capacity analysis that addresses the impact of the proposed project on gas reliability; the potential cost of any necessary incremental gas capacity and distribution system reinforcements; and the possible acceleration of the date by which new pipeline capacity would be needed for the relevant area
5. A completed pre-approval free-ridership assessment

References: 2027-2029 Energy Efficiency Plan

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1. Docket: https://ripuc.ri.gov/Docket-26-37-EE

2. Rhode Island Energy EE Plan
https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2026-10/26-37-EE%20-%20Rhode%20Island%20Energy%27s%202027-2029%20Energy%20Efficiency%20Plan%20-%20PUC%2010-01-2026_0.pdf

3. CHP Initiative found in the Rhode Island Energy EE Plan

- Go to BATES: p298, PDF: p316
    - Eligibility
    - Identification and Recruitment of Qualified CHP Projects
    - Terms and Conditions
    - CHP Notification Process

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Thank You

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Financing CHP Upgrades with C-PACE and EBF

RHODE ISLAND
INFRASTRUCTURE BANK

About the Infrastructure Bank

Rhode Island Infrastructure Bank is Rhode Island's central hub for **financing infrastructure improvements for municipalities, businesses, and homeowners.** We leverage limited capital in a revolving fund to offer innovative financing for an array of infrastructure-based projects including

- waste water, stormwater, and drinking water
- roads and bridges
- energy efficiency and renewable energy
- brownfield remediation

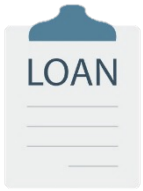


What is C-PACE?

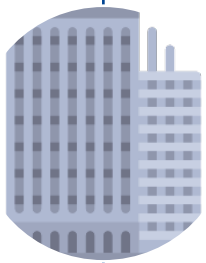
- Commercial Property Assessed Clean Energy (C-PACE) is an innovative financing solution that makes green energy upgrades accessible and affordable.

- C-PACE financing can take what was once a capital expenditure and turn it into a cash-flow positive investment that lowers operating costs, increases asset value, and improves building performance.

Commercial Borrowers



CHP Loan



Commercial Property Owners and Businesses



Commercial Property Assessed Clean Energy (C-PACE)

What does C-PACE offer?

Immediate Cash Flow

- ✓100% financing
- ✓Long payback period, fixed rate, no-balloon
- ✓Preserves debt-service ratio (bank perspective)
- ✓Covers all hard and soft costs

Flexibility

- ✓No personal or corporate guarantee
- ✓Transfers on sale
- ✓Expense can be passed through to tenants
- ✓Preserves borrowing capacity

Applicability

- ✓Qualify based on property value
- ✓Funds most energy and water projects
- ✓All standard commercial property types

Case Study: Green Line Apothecary



CHALLENGE:

Green Line Apothecary invested nearly $350,000 in energy-saving upgrades at their Providence location, including LED lighting, spray-foam insulation, and high-efficiency HVAC equipment. Rather than leave that capital tied up in the building, Green Line sought a way to leverage those funds to support continued growth of their business.

SOLUTION:

$327,000 loan via the C-PACE program. Rhode Island C-PACE affords building owners the opportunity to leverage energy efficiency and clean energy measures installed any time after July 2015.

RESULTS:

"At Green Line Apothecary, we are not just green in name only. Our modern version of the neighborhood drugstore means being engaged and responsible members of the communities we serve," said Ken Procaccianti, President & Chief Operating Officer of Green Line Apothecary. "And practicing environmental sustainability is a crucial part to being a community steward. Green Line now serves Rhode Island statewide and looks forward to working again."

Efficient Buildings Fund

- Jointly administered by the Office of Energy Resources (OER) and Rhode Island Infrastructure Bank (RIIB)
- EBF provides long-term, low fixed-rate financing for comprehensive energy savings projects & installation of clean energy units & fixtures
- Financing structured in a way that allows projects to produce immediate positive cash flow savings, net of debt service, for borrowers
- Investment goals are to reduce energy consumption in public buildings by >20%
  - Targeting investments that lead to electric and heating savings and/or investments for renewable energy generation

Program Overview

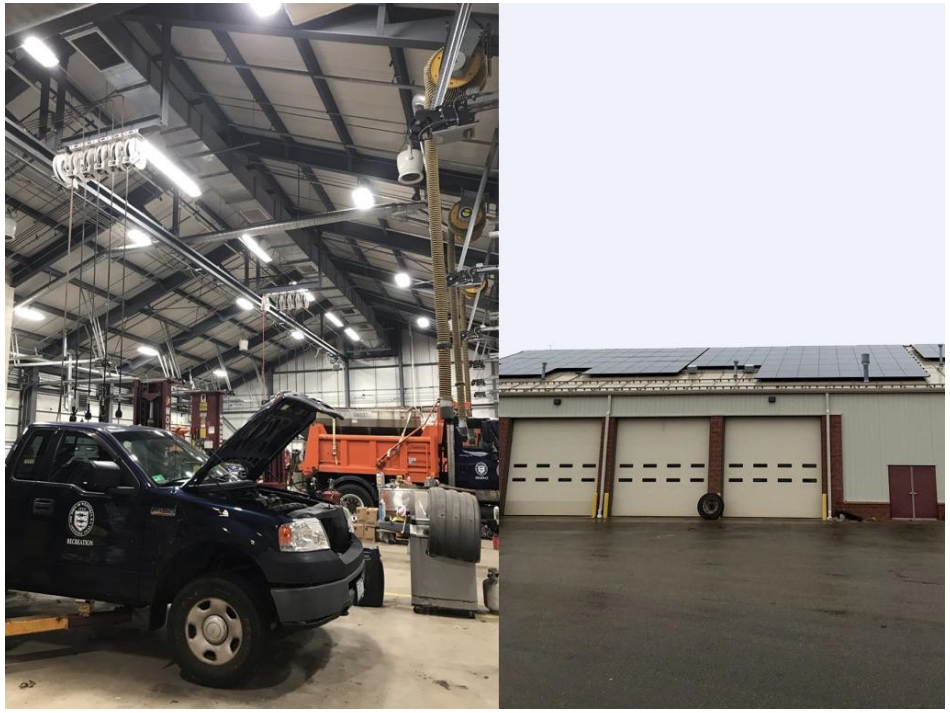
Attractive, long-term financing for the completion of energy efficiency and renewable energy projects



- Flexible loan structure
  - Up to 15-year repayment terms
  - Loans rates are offered at **33% below RIIB's "AA" rating for EBF program**
- Comprehensive scope – multiple projects in multiple buildings, **small to mid-range** projects
  - Projects include HVAC installation, boiler upgrades, lighting, and windows, and more
- **School Districts projects may qualify for state housing aid**
  - *Long term financing can accelerate the completion of projects compared to a "pay as you go" basis*



- Free, no-obligation technical support to prioritize energy efficiency needs
  - Technical Assistance for OER application
  - Energy audits & Engineering consulting assistance



Town of Westerly Public Works Facility

- Completed comprehensive building upgrades to the Lighting, HVAC and Roof
- Installed rooftop solar array

Case Study: East Providence High School



CHALLENGE:

Effectively financing a major school construction project to lower costs for community residents.

SOLUTION:

Integrated a $24 million loan from the Efficient Buildings Fund into the new school building project's overall financing.

RESULTS:

Energy conservation measures in the new, state-of-the-art high school are projected to save the City over 18.5 million kWh of electricity, and by financing the project through the Infrastructure Bank at below market interest rates, the City will save almost $1 million on debt service payments.

Our Process

Efficient Buildings Fund

Partner agency subject matter experts review and grade project application

Project is then listed by grade on the Project Priority List (PPL)

Project & Credit Analysis

Bank's advisor conducts a thorough credit review & evaluation of the borrower and project

Board Review

Bank's Board considers and votes on the borrower loan request

Protection

Bank actively monitors project status and borrower financials

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