



Date: December 10, 2018

To: Luly Massaro, Clerk, Public Utilities Commission

From: Kai Salem, Program Associate, kai@greenenergyconsumers.org

Comments on Docket 4888 – 2019 Energy Efficiency Program Plan

Dear Ms. Massaro,

Green Energy Consumers Alliance is a Providence- and Boston-based nonprofit dedicated to speeding the transition to a low-carbon energy system in New England. We help our members make sustainable energy choices, and we advocate for ambitious clean energy policy in Massachusetts and Rhode Island.

As a member of the energy efficiency collaborative and a settling party, Green Energy Consumers participated in the development of the 2019 Energy Efficiency Program Plan, which is now before the Public Utilities Commission in Docket 4888. We urge the Commission to approve the 2019 Energy Efficiency Plan. The Plan will guide the Company in procuring gas and electricity at least cost in 2019. The Plan is aligned with Power Sector Transformation and Docket 4600, and it will reduce the state's reliance on energy from carbon-emitting sources.

The 2019 Plan emerged out of a strong stakeholder process that began with open discussion of priorities that began during the winter and spring of 2018 and continued into a collaborative draft review process during the summer and early fall. Although the compressed timeline of reviewing plan drafts limits capacity, the drafting team was open to input and incorporated Collaborative members' concerns into subsequent drafts. The 2019 Plan incorporated several longstanding priorities of Green Energy Consumers, including equitable access to energy efficiency programs and new programs focused on building electrification, like the Zero Energy Buildings pilot and direct install air source heat pumps.

The Plan includes four especially noteworthy initiatives: (1) increase in support for building electrification through air source heat pumps and the Zero Energy Buildings pilot; (2) increase in access to programs through the landlord incentive and continued parity for delivered fuel customers; (3) statewide roll-out of battery storage and demand response programs; and (4) the introduction of performance metrics.

In order to meet statutory carbon reduction goals as well as remain in line with agency and Commission mandates to protect the state's environment, Rhode Island must reduce carbon emissions drastically in the near future. Although efficiency and renewable energy programs have helped the electric sector begin to transition away from fossil fuels, our thermal sector continues to emit a large (and growing) portion of warming pollutants. Following the decision in Power Sector Transformation to focus efforts on heating electrification through the efficiency programs, the Company and stakeholders increased the programs' support for electric heat. The programs do not provide for air source heat pumps and Zero Energy Buildings at the level necessary to rapidly decrease carbon emissions from the thermal sector; however, Green Energy Consumers acknowledges that the Company will direct remaining program budget to more direct installs of heat pumps and will focus on oil to electric conversions. Green Energy Consumers attests that the 2019 Efficiency Plan is a step forward towards a carbon-free thermal sector.

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As an advocate for energy efficiency availability to all Rhode Islanders, Green Energy Consumers applauds the landlord incentive included in the 2019 Plan. 40% of Rhode Islanders rent; these Rhode Islanders tend to be lower income and live in older housing stock than Rhode Islanders who own their homes. For most renters, deep energy efficiency retrofits have previously been unattainable due to the landlord/renter split incentive. A strong landlord incentive from the utility company—although not a perfect solution, because the benefits are not distributed equitably between the renter and landlord—will help the renter population access previously unattainable low energy bills and home comfort.

According to the Plan, 2019 will mark the first statewide roll out of the Connected Solutions program, which provides rebates for peak event electricity reductions through smart thermostats, battery storage, EV chargers, or other technology. This program, although expected to be somewhat limited in scope, plays an important role in actively engaging energy consumers. It will also allow more widespread utilization of smart technology in the future.

The metrics used to evaluate and incent the energy efficiency programs drive program design. Although annual MWh savings are a good measure of the annual impact of a program, a focus on annual MWh savings limits efficiency programs' ability to fully capture the societal benefits of initiatives like oil to electric heating conversion, which may increase annual MWh while saving consumers' money and reducing carbon emissions. Green Energy Consumers commends the 2019 Plan on introducing performance metrics, like customer satisfaction and avoided GHG emissions, that may more holistically measure the benefits of these programs and, thus, align the programs with the spirit of least cost procurement.

Not only will this plan help the Company procure energy at least cost in 2019, it provides a foundation for the Company to continue doing so going forward. We expect and will call upon future plans to build on the demand management programs in the 2019 plan, including electric heat, smart technology, and equitable access.

Green Energy Consumers is eager for the company and the Commission to continue supporting energy efficiency, conservation, and demand management at the highest level feasible. Efficiency is an integral part of the utility's services in Rhode Island and one of the most important tools we have to reduce dangerous carbon emissions. The 2019 Energy Efficiency Plan will continue Rhode Island's strong efficiency programs while laying the groundwork for more active demand management, building electrification, and access of previously untouched markets for energy efficiency in our state.

Sincerely,

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