

Representative Joseph Solomon, Chair

May 29th, 2025

House Corporations Committee Rhode Island House of Representatives

RE: Green Energy Consumers Alliance Opposes House Bill 6204

Dear Chair Solomon and members of the Committee,

On behalf of Green Energy Consumers Alliance and our thousands of members across Rhode Island, I write in strong opposition to House Bill 6204, which would repeal the energy efficiency charge on gas and electric bills.

Rhode Island Is Not on Track to Achieve Act on Climate Goals

The Act on Climate mandates that Rhode Island reduce its total greenhouse gas (GHG) emissions 45% by 2030 and net zero by 2050. However, the Executive Climate Change Coordinating Council's (EC4's) 2022 plan to meet the Act on Climate shows that the state would only achieve 40% emissions reductions by 2030, and that's if everything in the plan gets implemented. From the most recent RI Department of Environmental Management Greenhouse Gas (GHG) Inventory, RI's buildings and electricity sector contribute over half (53.8%) of the state's total GHG emissions. Energy efficiency is a proven strategy that helps reduce energy demand in homes and businesses, which reduces overall GHG emissions. Energy efficiency is also the most cost-effective way to reduce energy usage, and programs funded with ratepayer collected funds go through rigorous testing to ensure they will benefit all residents.

Energy Efficiency Benefits All Ratepayers

Rhode Island's Energy Efficiency Council (EEC) releases an annual report focused on how state energy efficiency funds are used and how they benefit Rhode Islanders. The <u>2023 Program Year report</u> found that for every \$1 invested into energy efficiency measures, Rhode Islanders received \$3 in benefits, which include reduced energy usage and greenhouse gas emissions, and increased job creation. Due to funding energy efficiency measures, Rhode Island's cumulative energy demand has decreased over time, by an estimated 11% compared to 2005 levels. Without funding efficiency measures, Rhode Island energy demand would be an estimated 9% higher than 2005 levels. Lower energy demand means that Rhode Islanders haven't needed to purchase as much energy, which results in benefits like reduced emissions and lower costs.

Reducing energy demand also improves grid reliability, which is critical for safety and reduces strain on the grid, in turn also lowering energy costs. Without energy efficiency funding, it may become harder to incentivize homeowners to switch to more efficient technologies, and Rhode Island's energy efficiency progress could stagnate. Just this past year, the American Council for an Energy-Efficiency Economy (ACEEE) released their 2025 State Scorecard and Rhode Island dropped to the 12th spot, down from 7th place in the 2022 Scorecard. This ranking alongside the forthcoming deadlines in the Act on Climate indicates that Rhode Island must continue strong efforts in energy

efficiency. The time is now for strong support for energy efficiency, a proven strategy that reduces energy demand while spurring economic growth in the state.

Conclusion

Funding energy efficiency measures is a critical way to reduce greenhouse gas emissions and get on track to meeting the Act on Climate mandates. Eliminating the energy efficiency charge could result in backsliding progress made in reducing emissions and losing jobs created because of energy efficiency. Green Energy Consumers Alliance urges the Committee and full General Assembly to vote **against** its passage.

Sincerely,

Tina Munter, RI Policy Advocate **Green Energy Consumers Alliance** *Tina@greenenergyconsumers.org*