



June 22, 2021

The Honorable David Bennett
Chairman
House Committee on Environment and Natural Resources
82 Smith Street
Providence, Rhode Island 02903

RE: H-6144 Sub A: Extension of Energy Efficiency Programs and Renewable Energy Fund

Dear Chairman Bennett:

Thank you for providing the Rhode Island Office of Energy Resources (OER) the opportunity to comment on H-6144 Substitute A, which includes an extension of the state's System Reliability, Energy Efficiency and Least-Cost procurement programs, and the Renewable Energy Fund (REF).

Cost-effective energy efficiency, demand response, and other least-cost energy investments are foundational to Rhode Island's clean energy future and economy. Thanks to the General Assembly's continued support for these programs, Rhode Island has been ranked among the nation's leading energy efficiency and innovation leaders. These investments represent the least-cost means of serving the energy needs of local homes, businesses, and public sector entities, as well as mitigating harmful greenhouse gas emissions from entering the atmosphere. Should the state fail to extend these programs, Rhode Island's path toward economy-wide net-zero emissions will undoubtedly be more expensive for local consumers and our economy. It would also have a significant negative impact on a sizeable local workforce and industry base still recovering from the COVID pandemic.

Since 2005, Rhode Island consumers have purchased nearly 115,000 GWhs of electricity. In that same time, energy efficiency programs have saved Rhode Island consumers nearly 12,000 GWhs of electricity. The impact of these savings means that, instead of Rhode Island's electric load being 12% higher than it was in 2005, it is actually 10% lower. Additionally, because savings persist over the lifetime of the efficiency measures installed, the cumulative savings realized in 2019 account for over 19% of what the electric load would have been absent the energy efficiency programs.¹ Importantly, energy efficiency is the only resource in our portfolio that actually places downward pressure on all other components of the utility bill – e.g., over time, less energy demanded and/or consumed can have the effect of reducing distribution and transmission system investment needs, as well as wholesale supply and capacity costs.

Moreover, energy efficiency is an engine of our local clean energy economy. Prior to COVID's impact on the economy, energy efficiency-related employment accounted for six out of every ten clean energy jobs across Rhode Island, as measured by the state's 2020 Clean Energy Jobs Report.²

¹ For more information on the energy and economic impacts of Rhode Island's energy efficiency programs, please visit: <https://rieermc.ri.gov/2020-eermc-annual-report/>.

² This data is pre-COVID and an updated study is now underway. The 2020 Rhode Island Clean Energy Industry Report is available at: <http://www.energy.ri.gov/cleanjobs/2020/RICEIR%202020%20Report.pdf>.



Many clean energy jobs are a source of sustainable-wage employment for Rhode Island residents, particularly for high unemployment communities, and represent workforce opportunities that cannot be outsourced. Thanks to this work, we are also improving the quality, comfort, and safety of local homes, businesses, schools, and other public sector facilities.

The REF has also been an important program in helping advance the state's renewable energy goals. The REF provides direct project support for small- and commercial-scale renewable energy projects through grants, loans, project inspections, and other investments. In recent years, OER and Commerce RI have leveraged the REF platform and funding sources to further clean energy innovation and environmental sustainability. For example, our Brownfields Solar PV and Solar Carports programs are supporting renewable developments on under-utilized lots, providing an alternative to significant tree clearing while enhancing the productive use and tax revenue-generating capacity of host properties.

Similarly, in November 2020, the State launched its first energy storage incentive program through the REF. Energy storage can help match the timing of renewable energy generation with when we need electricity the most, and help reduce expensive demand peaks on the distribution system. These technologies can also enhance grid resiliency for Rhode Islanders, such as keeping the lights on and critical systems functioning during power outages. This pilot incentive program will provide valuable data and insight on future energy storage growth in the Rhode Island marketplace. The REF also supports the Clean Energy Internship program for university and college students, helping pair future workforce entrants with Rhode Island-based firms in this sector.

OER respectfully requests that H-6144 Substitute A be amended to include certain provisions that were an important part of Senate Bill 634, Substitute A, which was passed on June 1, 2021 and referred to your Committee on June 2, 2021. Specifically, S-634 Sub A includes amendments to regulatory timelines and administrative funding that were adopted by the Senate with the support of the Administration. At your direction, our team would be happy to work with the Committee and staff to provide the appropriate mark-up integrating these clauses into H-6144 Sub A.

Thank you for your consideration.

Sincerely,

Nicholas S. Ucci
Commissioner

CC: Members of the House Committee on Environment and Natural Resources
Representative Deborah Ruggiero
Lynne Urbani, House Policy Director