

Written testimony of Timmons Roberts, 15 Grotto Avenue, Providence

On H 6144 Relating to Public Utilities and Carriers—Public Utilities Commission (Least Cost Procurement/Energy Efficiency) and H 6144 Substitute A

Dear Chair Bennett and House Environment Committee:

I'm testifying as a concerned citizen of Rhode Island with twelve years of engagement on our state's efforts on climate change and clean energy. With my team in the Climate and Development Lab at Brown University, we've examined climate and clean energy policy in the state and across New England and the country, through policy reports and articles in peer-reviewed scientific journals.

In all that time, Rhode Island's Least Cost Procurement program has been universally acclaimed as leading the country by helping our state make the right kinds of investments as we seek to reduce our energy costs and our emissions of greenhouse gases. Begun in 2008, the program has catapulted our state into a nation-leading position on energy efficiency.

The principle of Least Cost Procurement is simple: **our total costs of energy are the result of the price we are paying and the amount we use.** Driving down use by increasing efficiency keeps our costs down, and this allows us to make the investments on renewable energy and other key parts of the transition we need to make off of fossil fuels, the leading cause of the greenhouse effect, which is observably changing our climate and wreaking havoc around the country and the world.

It's critical the state extend and strengthen the Least Cost Procurement program, and the original version of the bill, H 6144, passed overwhelmingly in the Senate, be passed on to the House floor in your meeting today.

The SubA for this bill, H 6144 Substitute A, unfortunately has several problematic edits to the Senate-passed version. Some elements of the SubA are interesting, and some of the categories of spending that the study commission proposed be examined are no doubt areas the state should be investing in. It may be necessary to have investments in infrastructure that enables efficiency measures, including those that enable smart grid technology. And a Clean Energy Fund at the Infrastructure Bank does indeed need to be created and provided with a meaningful, sustainable, and predictable source of funding. However adding that to the LCP bill leads it to be focused too much on that source of revenue.

Most worrisome is the proposal to remove performance-based incentives from the Least Cost Procurement program. While no one wants to put more money in the pocket of our monopoly utility, *providing incentives is the only way to have a compensation for revenue utilities lose from spending on efficiency upgrades. Otherwise, there is a disincentive for them to advance energy efficiency efforts.*

As we shift away from National Grid to a new monopoly utility in the next year, we should indeed restructure our relationship with the utility, but this is a potentially damaging way to do so, that could undermine profoundly important, and effective, nation-leading energy efficiency program. The performance-based incentive is fundamental to its effectiveness over these 13 years.

Many thanks for your attention to these concerns, especially at this crunch time at the end of the session. I know a lot is on your plate. **I encourage you to return to the introduced version of H 6144, and pass it on to the floor of the House tonight.** Our nation-leading energy efficiency program requires it.

Sincerely,
Timmons Roberts