

**NEEP’s 2024 Regional Roundup provides a snapshot of Rhode Island’s current policies and progress towards greater energy efficiency and building decarbonization.**

Policies and performance are organized across the four categories from NEEP’s 2024 report, *Decarbonizing Buildings: How States can Set the Table for Success*. The categories, or “legs of the table,” include Utility Planning and Regulation, Codes and Standards, Carbon Reduction Obligations, and Equity and Workforce.



- Rhode Island has operated energy efficiency programs since 2008, and it is currently in its sixth energy efficiency triennial cycle.
- In recent years, Rhode Island has implemented policies that center equity and invest in efficient electrification, including setting equity metrics in its most recent energy efficiency plan and running an Equity Working Group.
- Rhode Island’s state energy office operates a heat pump install program, Clean Heat RI, that can cover 100% of costs for income eligible recipients. This program facilitates fuel switching to heat pumps through customer assistance, financial incentives, and contractor support.
- The state also began the process of creating a new regulatory structure for gas utilities (Docket No. 22-01-NG) in 2022 by analyzing how Rhode Island’s gas system can change to comply with Rhode Island’s climate goals under the Act on Climate (2021).

## UTILITY PLANNING AND REGULATION



UTILITY PLANNING AND REGULATION

Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers		
	Rhode Island	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 1.78% Gas: 0.68%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$79.04	\$36.00
Current Program Goals	2025 Electricity Savings Goal†: 0.75% 2025 Gas Savings Goal†: 0.30%	

\* Data from 2022 ACEEE State Scorecard.

† Goal calculated as average annual savings as a percentage of 2022 sales. Sales data from [EIA](#). Goal from [Phase IV Energy Efficiency and Conservation Plan](#).

### Climate-Forward Energy Efficiency

<b>Energy Efficiency Program Administrator</b>	Rhode Island’s gas and electric utility, Rhode Island Energy (RI Energy), implements energy efficiency programs in three-year cycles with oversight from the <a href="#">Energy Efficiency Council</a> (EEC). The Rhode Island Public Utility Commission (RI PUC) approves three-year energy efficiency plans as well as annual plans filed each program year. RI Energy is currently implementing the <a href="#">2024-2026 Plan</a> ; <a href="#">2025 Annual Plan</a> is pending approval fall 2024.
<b>Program Goals</b>	The <a href="#">2025 Annual Plan</a> (pending approval fall 2024 by the <a href="#">RI PUC</a> ) establishes the following goals for program year 2025: <ul style="list-style-type: none"> <li>• Annual Electric Savings: 46,187 MWh</li> <li>• Lifetime Electric Savings: 362,767 MWh</li> <li>• Net Annual Summer Demand Savings: 15,853 kW</li> <li>• Net Annual Winter Demand Savings: 16,161 kW</li> <li>• Total Benefits (Rhode Island test): \$268,507,000</li> <li>• Annual Greenhouse Gas Reduction: 61,707 Short Tons CO<sub>2</sub>e</li> </ul>
<b>Benefit Cost Analysis</b>	<i>Base test:</i> <a href="#">Rhode Island Test</a> (see Schedule B, Attachment 4) <i>Non-energy impacts:</i> CO <sub>2</sub> emissions, water and sewer benefits, economic development benefits (labor, material, facility use, health and safety, materials handling, national security, property values, and transportation), and low-income benefits of lower energy bills, including reduced arrearages and avoided utility shutoff costs

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### Climate-Forward Energy Efficiency

<b>Utility Performance Incentives</b>	<p>If approved, per its <a href="#">2025 Annual Plan</a>, RI Energy can earn up to 7% of eligible net benefits (which includes 100% of utility system benefits and 35% of resource benefits minus regulatory and programmatic costs) for electric programs and up to 10% of benefits of eligible gas programs.</p> <p>Incentives are earned for achieving benefits derived from energy efficiency investments in transmission, reliability, peak energy reduction, and utility non-energy impacts.</p>
<b>Fuel Switching Policies</b>	No current policies in place.
<b>Statewide Qualified Contractor Network</b>	RI Energy maintains a <a href="#">participating contractor list</a> that ensures contractors meet a minimum level of training and knowledge of the equipment.
<b>Centering Equity in Climate-Forward Efficiency Programs</b>	<p>RI Energy hosts an <a href="#">Equity Working Group</a> with the Office of Energy Resources (OER) to provide recommendations to advance equity in the planning, design, and delivery of RI Energy’s Energy Efficiency Programs. The <a href="#">2023 Equity Working Group Report</a> details equity challenges, recommendations, actions, and metrics to be included in the 2024-2026 Three Year Plan.</p> <p>RI Energy has <a href="#">equity metrics</a> that were first introduced in the 2024-2026 EE Plan. The metrics relate to the following areas: single- and multifamily program participation, pre-weatherization barriers, and small business participation. RI Energy will begin reporting at the end of 2024.</p>

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### Long-Term Planning

<b>Utility Clean Heat and Building Decarbonization Programs</b>	<p>While not run by a utility, RI state energy office offers a statewide electrification program called the <a href="#">Clean Heat RI program</a> that allows for fuel switching. The program provides heat pump <a href="#">incentives</a> for market-rate customers who heat with natural gas, propane, or heating oil. Clean Heat RI funds heat pump installations for households, small-to-mid-sized businesses, and non-profits with an emphasis on serving environmental justice communities, minority-owned businesses, and community organizations.</p>
<b>Long-Term Utility Planning</b>	<p>RIPUC Docket <a href="#">22-01-NG</a>, “Investigation into the Future of the Regulated Gas Distribution Business in Rhode Island in Light of the Act on Climate,” is underway. A <a href="#">technical working group and stakeholder meetings</a> have been occurring since mid-2023. The <a href="#">docket aims to answer</a> questions regarding options for reducing emissions from the gas sector and how energy systems will need to evolve to meet Rhode Island’s climate goals under the <a href="#">Act on Climate (2021)</a>. As part of the proceeding, a <a href="#">technical analysis report on the gas system in Rhode Island</a> was published in April 2024.</p>



## CODES AND STANDARDS



CODES AND STANDARDS

Codes and standards establish a clear timetable for improving the energy performance of new and existing buildings, appliances, and equipment, spurring changes in technologies and building practices. The Regional Roundup provides additional information on policies in this area that operate at the city level to highlight how communities are taking the lead. Programs such as benchmarking and home energy labeling programs are also included, even when just voluntary, as they can be a precursor for BPS or mandatory home energy score programs.

<b>Building Energy Codes</b>	Rhode Island passed <a href="#">S855 in 2023</a> and adopted the 2024 IECC, effective as of November 2024.
<b>Stretch Energy Codes</b>	Rhode Island <a href="#">established voluntary stretch codes in 2018</a> . This stretch code can be used to comply with the state's <a href="#">Green Buildings Act</a> .
<b>Building Performance Standards</b>	Rhode Island has <a href="#">minimum energy performance standards for state-housing-agency funded projects</a> .
<b>Benchmarking</b>	The city of Providence passed a local <a href="#">benchmarking ordinance</a> in 2023 that mandates benchmarking for buildings over 50,000 square feet, decreasing to buildings over 10,000 square feet by May 2026.
<b>Home Energy Labeling</b>	No current policies in place.
<b>Appliance Efficiency Standards</b>	In 2021, Rhode Island passed the <a href="#">Appliance and Equipment Energy and Water Efficiency and Standards Act</a> that establishes standards for a select list of new appliances. It also allows the state commissioner of energy resources to add new appliances to the list as they deem necessary. For more information on which appliances are covered, <a href="#">see NEEP's Federal and State Appliance Standards Tracker</a> .
<b>Equipment Emission Standards</b>	No current policies in place.

## CARBON REDUCTION OBLIGATIONS



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Carbon reduction obligations set performance requirements for obligated parties, such as energy providers, to reduce carbon emissions or install clean heating systems. This section also includes any policies that articulate statewide climate goals and involvement in a regional cap and invest program because both programs are aligned with the policies under carbon reduction obligations and can be a part of a future clean heat standard or statewide cap and invest.

<b>Climate Goals</b>	Rhode Island’s 2021 <a href="#">Act on Climate</a> requires statewide emissions reductions of 45% by 2030, 80% by 2040, and net-zero emissions by 2050 (from a 1990 baseline).
<b>Clean Heat Standard</b>	No current policies in place.
<b>Regional Cap-and-Invest</b>	Rhode Island participates in <a href="#">RGGI</a> , which caps electric utility carbon emissions. <a href="#">Rhode Island invests RGGI auction proceeds</a> in energy efficiency and renewable energy programs.
<b>State Cap-and-Invest</b>	No current policies in place.
<b>Centering Equity in Carbon Reduction Obligations</b>	No current policies in place.



## EQUITY AND WORKFORCE



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Equity and workforce investments address housing and workforce inequities by empowering historically marginalized communities and ensuring that the energy transition is just and inclusive. This section includes policies that prioritize community empowerment through defining environmental justice communities and/or convening community members to have meaningful input on climate and energy policies in the state. It also highlights any statewide goals or metrics that mandate programs to deliver a certain level of benefits to communities. Finally, it provides a snapshot of the inclusive workforce programs and policies within each state.

### Statewide Equity Initiatives

<p><b>Community Empowerment</b></p>	<ul style="list-style-type: none"> <li>• In 2022, Governor McKee directed the <a href="#">Executive Climate Change Coordinating Council</a> (EC4) to <a href="#">create an Environmental Justice Committee</a>. The EC4 incorporates consideration of climate change impacts into the powers and duties of all state agencies. It also established two advisory bodies, the EC4 Advisory Board and the EC4 Science and Technical Advisory Board.</li> <li>• The <a href="#">Rhode Island Department of Environmental Management’s Environmental Justice policy</a> from 2023 defines EJ communities as “census tracts where the median household income is less than 65% of statewide median income; at least 40% of the population are minorities; at least 25% of households lack English proficiency; or at least 25% of the population are minorities and the municipality’s median household income does not exceed 150% of statewide median income.” RIDEM also has an <a href="#">EJ Map</a> of these areas.</li> <li>• RI Energy hosts an <a href="#">Equity Working Group</a> with the Office of Energy Resources (OER) to provide recommendations to advance equity in the planning, design, and delivery of RI Energy’s Energy Efficiency Programs. The <a href="#">2023 Equity Working Group Report</a> details equity challenges, recommendations, actions, and metrics to be included in the 2024-2026 Three Year Plan.</li> </ul>
<p><b>Metrics and Goals</b></p>	<p>Rhode Island Energy’ Energy Efficiency Plans include <a href="#">equity metrics</a> related to the following areas: single- and multifamily program participation, pre-weatherization barriers, and small business participation.</p>
<p><b>Home Upgrade Hubs</b></p>	<p>No current policies in place.</p>

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### ***Inclusive Workforce Development***

<b>Inclusive Workforce Development</b>	No current policies in place.
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## RHODE ISLAND'S BUILDING DECARBONIZATION TABLE

### UTILITY PLANNING AND REGULATION



RI Energy Efficiency Programs

Clean Heat RI

Future of Gas Proceeding

### EQUITY AND WORKFORCE



Environmental Justice Commission

Definition of EJ Communities

RI Energy Equity Metrics

### CARBON REDUCTION OBLIGATIONS



Climate Goals

RGGI

### CODES AND STANDARDS



2024 IECC

Appliance Standards passed in 2021