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Submitted electronically to TEAst@rienergy.com and BSFeldman@RIEnergy.com

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Re: 2027-2029 Energy Efficiency Plan Draft, June 2026

Dear Rhode Island Energy and Rhode Island Energy Efficiency Council,

On behalf of Northeast Energy Efficiency Partnerships (NEEP)¹, I am pleased to submit comments relative to Rhode Island Energy's 2027 – 2029 Energy Efficiency Plan Draft. NEEP is a non-profit that drives regional collaboration and best practices in energy efficiency so the Northeast and Mid-Atlantic region can lower energy bills, reduce air and carbon pollution, create jobs, and improve energy and climate resilience.

We thank Rhode Island Energy (RIE) for the opportunity to provide input on the 2027 – 2029 Plan Energy Efficiency Plan Draft (2027 – 2029 Plan Draft). We commend RIE for efforts through the course of the 2027 – 2029 Plan Draft cycle to prioritize equity and affordability. Following the passage of [Rhode Island's 2021 Act on Climate](#) establishing statewide greenhouse gas emissions reduction goal, RIE has worked to drive decarbonization through efficiency. The five key priorities in the 2027 – 2029 Plan Draft: prioritizing high-value, cost-effective investments, utilizing data to improve to program performance, increasing equitable participation, and strengthening the customer experience are strong pillars on which RIE can create lasting change for Rhode Island ratepayers.

NEEP specifically would like to highlight the equity initiatives in the plan, including the continued commitment to pursuing partnerships to address pre-weatherization barriers, virtual options for home energy assessments, and an enhanced incentive for moderate income residential programs. These programs will ensure that the benefits of energy efficiency are accessible to residents that can stand to benefit the most. Additionally, plans to increase targets for heat pump water heaters and research the feasibility of incorporating window heat pumps will provide additional pathways to support accessible electrification. Furthermore, the 2027 – 2029 Plan Draft's reduction of available gas incentives for new construction supports Rhode Island's greenhouse gas emissions reductions and will redirect investments toward efficient, electric technologies.

However, the 2027 – 2029 Plan Draft includes a reduction in annual funding, compared to the [2024 - 2026 Energy Efficiency Plan](#). At a time when energy affordability remains a top priority, energy efficiency is one of the most effective tools for reducing customer energy bills. As discussed below, NEEP strongly recommends that RIE maintain similar budgets to the 2024 – 2026 Plan. In addition, NEEP has identified several key program recommendations for consideration in the development of the 2027–2029 Energy Efficiency Plan. The following comments are intended to provide technical guidance and resources to inform RIE's energy efficiency planning. In addition to the recommendations provided below, NEEP stands ready to support RIE with technical expertise, practical tools, and other resources throughout the planning and implementation process.

¹ These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners. NEEP is a 501 (c)(3) non-profit organization that does not lobby or litigate.



Energy Efficiency Programs are Critical to Ensure Energy Affordability

Nationwide, electricity prices have risen in recent years. From 2021 to 2025, residential electricity prices [rose 27 percent](#). Average prices in New England and the Mid-Atlantic have risen the most: prices in both regions are up 19 percent since 2022 and could increase more than the national average through 2026. Gas prices are also [forecasted to climb into 2026](#). Some of the drivers for higher prices include the cost of gas delivered to power generators in New England, growing demand that requires more transmission and distribution upgrades, and deferred maintenance of the grid.

As energy costs rise, a growing number of households experience high or severe energy burdens, resulting in [energy insecurity](#) – the inability to adequately meet basic household energy costs. As a result, many families are forced to make [difficult tradeoffs](#) between paying for energy and meeting other basic necessities, such as food, healthcare, or housing. This disparity is particularly acute in the Northeast, where [New England](#) has some of [highest energy costs in the country](#), alongside the largest gap between low-income and median household energy burdens. These trends underscore the importance of sustained investment in energy efficiency.

Energy efficiency programs play a critical role in improving energy affordability by reducing overall energy consumption and lowering customer bills. These programs support the deployment of advanced technologies; provide targeted incentives and assistance for underserved customer segments, including low- and moderate-income households and renters; improve grid efficiency to help contain system costs; and encourage prudent long-term utility planning and investment. [Past NEEP research](#) has shown that targeted engagement can increase enrollment in energy efficiency, arrearage management, and bill assistance programs, further improving affordability and energy security.

Maintain Annual Spending

The current 2027 – 2029 Plan Draft proposes reducing investment in energy efficiency. In 2026, the combined gas and electric budget was \$95.9 million, which already reflected significant cuts from the approved budget under the [2024-2026 Three-Year Energy Efficiency Plan](#). Under the proposed 2027-2029 Plan, the combined budget would decline each year, from \$95.0 million in 2027, to \$90.3 million in 2029. A reduction in the budget would also lead to a reduction in benefits. The [Annual 2026 Energy Efficiency Plan](#) put total benefits for 2026 at \$212.4 million. However, under the budget in the 2027 – 2029 Plan Draft, in 2027 total benefits would only reach \$197.6 million and ultimately grow to \$202 million in 2029, still \$10 million less than 2026. At a time when affordability is a priority, energy efficiency remains a least cost resource. NEEP encourages RIE to maintain spending levels from the previous plan.

Program Recommendations

Leverage AMI to Inform a Wide Customer Base

NEEP commends RIE for the Advanced Metering Infrastructure (AMI) approach outlined in Section 4.2 of the 2027 – 2029 Plan Draft. Leveraging AMI data to identify customers with high or variable energy consumption, as well as customers with electric resistance heating, will improve the ability to target those who stand to benefit most from energy efficiency programs and heating system upgrades. NEEP also supports the use of load disaggregation to inform plug load, appliance, and behavioral efficiency strategies. AMI data can be a valuable tool to target these energy efficiency opportunities.



NEEP further applauds RIE's application of AMI data to identify customers experiencing high bills and provide alerts, and the use of this data to tailor customer targeting and recruitment in energy efficiency programs. By identifying customers that have a higher-than-average load for heating or that have significant appliance-related energy use, RIE can more effectively connect households with the programs and services best suited to reduce energy consumption and alleviate energy burden. RIE could also consider ways to engage small and local businesses with AMI data, as these businesses may have fewer resources than larger businesses to optimize their energy use.

NEEP also encourages RIE to consider tools, such as a Data Access Platform, to ensure that the granular data available from AMI meters is provided to customers in real time and an easily digestible format. This program would consist of a portal that disaggregates the energy usage of the building for a resident or business owner and delivers insights. This information empowers consumers to understand energy usage. In Vermont, Green Mountain Power found that access to this data improved customer understanding of energy usage. To read more about this program and others in the northeast region, see NEEP's report on [Advanced Metering Infrastructure: Utility Trends and Cost-Benefit Analyses in the NEEP Region](#).

Maintain Home Energy Reports

The 2027 – 2029 Plan Draft proposes to discontinue Home Energy Reports (HERs) while the company evaluates future opportunities as part of their AMI Roadmap. NEEP encourages Rhode Island to maintain the Home Energy Reports to continue investment in a cost-effective program that enables tailored customer engagement. A recent [ACEEE report](#) found that these programs result in savings of .31 percent to 2.29 percent for electric households. Additionally, [HERs can serve more residential customers](#) compared to other programs, such as incentives for HVAC, and are less expensive to implement. Home Energy Reports enable RIE to have a balanced portfolio by providing wide reaching, low-cost energy savings. In the 2024-2026 Energy Efficiency Plan, the Home Energy Report program has an average benefit-cost ratio of [2.67 for the electric program and 4.05 for the gas program](#) and delivered over \$7 million in total benefits. Discontinuing this program can make it more difficult to achieve the same level of cost-effective savings and customer engagement.

Home Energy Reports can also support energy affordability through actions such as alerting consumers of high bills. These proactive alerts warn customers when they are trending towards higher usage than normal. High usage alerts also reduce service costs by reducing calls to the call center and ensuring less bill shock. In 2023, an [affordability pilot](#) to increase enrollment in financial assistance and energy efficiency programs saw enrollment increase from 3 to 6 times the average.

NEEP encourages RIE to continue offering the HERs program throughout the transition to AMI; this will ensure customers retain access to Home Energy Report benefits and enable the program to continue to deliver cost-effective savings. Additionally, NEEP encourages RIE consider conducting an impact evaluation of the HERs program as part of the 2027 – 2029 Draft Plan to identify savings that stem from Home Energy Reports and help assess how the deployment of AMI can increase the program's effectiveness and engagement strategies. Other states, such as [Massachusetts](#) have continued to offer Home Energy Reports while customers transition to AMI.

Integrate demand response strategies alongside installation of energy products

NEEP encourages RIE to continue to expand demand response programs, particularly those that leverage connected, demand response-capable appliances and equipment that are already a part of the 2027 – 2029 Draft Plan. Integrating energy efficiency and demand response programs in this way can expand participation, improve customer access to grid services, lower electricity costs, and reduce emissions. Additionally, appliance-



based demand response programs provide an opportunity to [use price signals to incentivize customers](#) to participate in the programs, helping to lower customer rates by helping reduce system peak demand and associated costs.

To increase participation and reduce barriers to enrollment, RIE could consider automatically enrolling customers in applicable demand response programs when they purchase or install demand response-capable equipment through energy efficiency programs, while allowing customers the option to opt out. For example, Efficiency Maine Trust currently offers [electric vehicle chargers](#) that automatically pause charging during peak hours. Customers can override the system for a day, if needed. This program enables customers to help lower grid peaks without any additional steps on their end.

Develop a contractor network to benefit contractors and consumers

As outlined in Section 2.6.2.3 of the 2027 – 2029 Plan Draft, contractor training is vital to ensure heat pumps and heat pump water heaters are installed correctly and used properly by customers. NEEP encourages RIE to coordinate with Clean Heat Rhode Island on contractor training and establishment of a statewide heat pump contractor network to leverage existing resources, such as [Find an Installer - Clean Heat Rhode Island](#), to make it easier for consumers to find heat pump contractors for both Clean Heat Rhode Island and RIE's energy efficiency programs.

Qualified contractor networks are a critical tool to achieving successful program outcomes and to advancing long-term market transformation. These networks of well-trained, high-performing contractors are increasingly important as state and utility energy efficiency programs evolve to meet multiple policy objectives including energy affordability, equity, climate mitigation and adaptation, and economic development. A qualified contractor network benefits consumers and contractors by spreading and standardizing best practices, providing regular training, and allowing customers to easily find trusted contractors.

NEEP recently released a report on how to support the growth and effectiveness of heat pump installer networks that can be helpful as RIE continues to invest in workforce training, [Heat Pump Installer Networks Best Practice Guide](#).

Consider seasonal rates for Rhode Island heat pump customers

In recent years, many states in the Northeast have seen an increase in adoption of heat pumps. Seasonal rates serve as a near-term strategy to remove inherent barriers for those consumers choosing to switch to heat pumps and align ratepayer bills with costs to the grid.

Heat pump customers are typically being overcharged in the winter because traditional rates (a standard two-part tariff) include fixed costs in volumetric charges and are priced to cover the costs of a summer-peaking grid. Because the grid is summer peaking, it can take on [additional demand in the winter](#) without requiring any infrastructure buildout. This results in customers with heat pumps [paying more than it costs the utility to supply additional energy](#) in the winter.

States have sought to implement rates for efficient electric heating through [three tools](#): seasonal rates, time-of-use (TOU) TOU rates, and demand charges. Seasonal rates can lower winter volumetric charges to better reflect actual costs to serve customers. TOU rates reduce volumetric charges at times when there is lower demand on the grid. Demand charges reallocate some fixed costs based on a customer's demand. These rate designs ensure that economic principles of the real costs of providing reliable electric service remain a key part of ratemaking.



In the largely restructured market of the Northeast, these rates will often modify only the transmission and distribution components of volumetric rates as utilities do not have the ability to adjust supply charges.

NEEP encourages RIE to consider implementation of heat pumps rates and/or TOU rates as part of its energy affordability and reliability goals. Additional information on heat pump favorable rates and other types of rates can be found in NEEP's report: [Modern Rate Design in the Northeast: Unlocking Efficiency, Affordability, and Electrification](#).

Conclusion

Maintaining or expanding existing program measures will strengthen the ability for RIE to reduce customer energy bills, improve affordability, and advance the state's energy policy goals. Programs such as Home Energy Reports provide valuable customer education and engagement while delivering measurable energy savings. Advanced Metering Infrastructure (AMI) enhances the utility's ability to identify and target customers who stand to benefit most from energy efficiency programs and heating system upgrades. Similarly, qualified contractor networks are essential to delivering high-quality installations, improving customer confidence, and supporting lasting market transformation. Finally, well-designed heat pump rates can improve the affordability of electrification by encouraging efficient electric heating while helping customers manage their energy costs.

By maintaining its commitment to investing in energy efficiency, RIE can provide its ratepayers with meaningful, long-lasting bill reductions. NEEP offers these comments in support of the development of the 2027–2029 Energy Efficiency Plan and appreciates the opportunity to provide input. NEEP remains available to provide technical assistance to the Rhode Island Energy Efficiency Council and Rhode Island Energy as they continue developing the Plan.

Sincerely,

A handwritten signature in black ink that reads 'Erin Cosgrove'.

Erin Cosgrove
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