

Rhode Island

Office of Energy Resources

Annual Report 2022



STATE OF RHODE ISLAND
**OFFICE OF
ENERGY RESOURCES**

Letter from the Acting Commissioner

To: The Honorable Daniel McKee, Governor

The Honorable Dominick J. Ruggerio, President of the Rhode Island Senate

The Honorable K. Joseph Shekarchi, Speaker of the Rhode Island House of Representatives

In accordance with the provisions of Rhode Island General Laws §39-2-1.2(k), I am pleased to provide you with the 2022 Annual Performance and Financial Report of the Office of Energy Resources (OER).

Thanks to your leadership, Rhode Island continues to enhance its status as a dynamic national leader on innovative clean energy programs that are growing jobs, creating new investment opportunities, reducing energy costs for Ocean State families and businesses, shrinking carbon footprints, and ensuring a more reliable and sustainable energy system.



Over the past year, Rhode Island boldly advanced its commitment to addressing climate change through enactment of the **Act on Climate** which sets mandatory, enforceable climate emissions reduction goals leading the state to achieve net-zero emissions economy-wide by 2050. OER is pleased to report significant progress in the state's ongoing efforts to achieve a clean, affordable, reliable, and more equitable energy future. Notable accomplishments include the following:

- An update to the **Renewable Energy Standard**, requiring 100 percent of Rhode Island's electricity to be offset by renewables by 2033, signed by Governor McKee in July 2022.
- The launch of **DRIVE^{EV}** which provides individual rebates of up to \$2,500 for the purchase or lease of new battery electric vehicles (BEVs) and fuel-cell electric vehicles (FCEVs) and up to \$1,500 for new plug-in hybrid electric vehicles.
- The launch of the **Erika Niedowski Electric Bicycle Program** with rebates to purchase electric bicycles.
- Continued successful implementation of our **Public Sector "Lead by Example" Initiative**, including the replacement of state-owned streetlights with energy efficiency LEDs and management of market competitive procurements that secure stable energy pricing for government agencies.

OER looks forward to building on progress to date and partnering closely with you to advance our state's energy, economic, equity, and environmental goals. Please do not hesitate to contact me should you have any questions.

Sincerely,

Christopher Kearns
Acting Energy Commissioner
Office of Energy Resources

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About the Rhode Island Office of Energy Resources

The Rhode Island Office of Energy Resources (OER) is the state's lead energy policy agency established pursuant to Rhode Island General Laws (RIGL) § 42-140. OER's mission is to lead Rhode Island to a secure, cost effective, and sustainable energy future. Housed within the Executive Branch, OER is led by the Acting Commissioner of Energy Resources – Christopher Kearns – and a staff of committed professionals dedicated to advancing the energy, economic, and environmental interests of the Ocean State.

Operating at the nexus of the many on-going efforts to grow and transform Rhode Island's energy system, OER core functions include, but are not limited to:

Developing, administering, monitoring programs that promote energy efficiency, renewable energy, alternative fuels, and energy assurance

Offering technical assistance and funding opportunities for end-users including residents, businesses, and public sector entities

Providing policy expertise and support related to strategic energy planning, energy assurance, and clean energy workforce development

Leveraging, coordinating, and aligning inter-agency, public-private regional, and federal efforts to reach and exceed state energy goals

To create consistent and unified energy policies, OER works with state and quasi-state agencies; stakeholder driven groups (including the Distributed Generation Board and the Energy Efficiency and Resource Management Council); regional coordinating bodies; and other private and non-profit stakeholders to advance shared energy and environmental interests.

Appendix A lists OER's responsibilities under the Rhode Island Energy Resources Act. To learn more about OER, please visit our website: www.energy.ri.gov. Appendix B provides a financial summary of OER's funding through the System Benefits Charge and associated staffing, responsibilities, and duties. Appendix C provides an overview of the Regional Greenhouse Gas Initiative.

Executive Summary

Two thousand twenty-two (2022) marked a series of significant achievements across Rhode Island's energy landscape, while presenting new opportunities to further reduce energy consumption and costs; expand cost-competitive clean energy solutions; and collaborate with other New England states to advance shared energy, economic, and environmental interests.

Strong and sustained support for comprehensive energy efficiency and renewable energy policies by Governor Dan McKee and the Rhode Island General Assembly have stimulated a robust market for clean energy goods and services, making Rhode Island home to a growing clean energy sector. Governor Dan McKee signed into law the **2021 Act on Climate**, which sets mandatory, enforceable climate emissions reduction goals leading the state to achieve net-zero emissions economy-wide by 2050. This legislation updates the previous 2014 Resilient Rhode Island Act, positioning the state to boldly address climate change and prepare for a global economy that will be shifting to adapt to clean technology.

OER continued to advance Rhode Island as a national energy efficiency leader and innovator. In 2022, the state was ranked seventh in the country for its **nationally recognized energy efficiency and least cost procurement programs**. For calendar-year 2021, the latest year with data available, energy efficiency programming achieved savings of 1.8% of electricity consumption and 0.74% of natural gas consumption, respectively. These cost-effective, carbon-free investments are expected to produce more than \$260 million in economic benefits for the state. Moreover, these programs are a key economic development driver, supporting six-in-ten clean energy workers across the Ocean State.

The state's commitment to energy efficiency not only saves customers money but drives significant economic activity and job growth –

in 2021, roughly 700 Rhode Island-based businesses were involved in Rhode Island's energy efficiency programs. Throughout 2022, OER continued efforts to advance the state's leadership in energy efficiency by promoting access to energy efficiency in underserved sectors and communities, collaborating on leading-edge program evaluations, and supporting efforts to decarbonize the heating sector.

The past few years marked major milestones for the state's renewable energy sector, including the surpassing 1,000 megawatts of renewable energy resources in its electric portfolio. This includes the approval of the **400 MW offshore wind farm – Revolution Wind** – located in federal waters adjacent to our coast. This project, which is expected to begin construction in 2024, will create hundreds of jobs and invest millions in our local ports and economy. In October of 2022, Governor McKee announced a new request for proposal by Rhode Island Energy for between 600 and 1000 MW of offshore wind. This offshore wind procurement will have the potential to meet at least 30 percent of Rhode Island's estimated 2030 electricity demand. The electricity from this project has the potential to power approximately 340,000 homes each year. When added to the 30-megawatt Block Island Offshore Wind Farm and the pending 400-megawatt Revolution Offshore Wind project, about half of the state's project energy needs may be powered by offshore wind.

Moreover, the ongoing implementation of the annual **Renewable Energy Growth Program**, has resulted in the approval of thousands of small solar projects to homeowners across the state and dozens of medium, commercial, and large solar projects.

The past year also saw a continuation of OER's work to reduce public sector energy costs. State agencies and municipal governments continue to

“**Lead by Example**” in reducing utility costs (and carbon footprints) through the adoption of cost-effective energy efficiency and other clean energy measures, such as renewables.

Transportation is the costliest energy sector in Rhode Island, accounting for about 40 percent of statewide energy expenditures. OER has worked with stakeholders to promote the use of alternative and clean transportation solutions that can reduce overall energy consumption and long-term consumer costs; mitigate the transportation sector's impact on our environment and create new opportunities for industry growth. As part of these efforts, OER established the **Electrify RI** program, an electric vehicle (EV) charging station incentive program that seeks to make more charging stations accessible to Rhode Island drivers. The increased availability of charging stations will encourage state residents and businesses to make the switch to electric vehicles in order to reduce transportation-related carbon emissions and pollutants.

In March 2022, Governor McKee announced the establishment of an electric vehicle rebate program, [DRIVE EV](#). The program was formally launched on July 7, 2022. As of November 2022, the program has approved over one hundred and forty (140) applications. The Office of Energy Resources launched the [Erika Niedowski Memorial Electric Bicycle Rebate Program](#) in October 2022, and is an extension of the DRIVE EV Rebate program. This program helps increase access to zero emission electric bicycles, making them more affordable and accessible to Rhode Islanders.

OER looks forward to continuing its work on behalf of the Administration, in collaboration with the General Assembly and other key stakeholders, to advance Rhode Island’s energy, economic, equity, and environmental priorities and maintain Rhode Island’s position as a national clean energy leader.



Governor Dan McKee signing into law the 100% Renewable Energy Bill

2021 Act on Climate

On April 14, 2021, Governor Dan McKee signed into law the **2021 Act on Climate**, which sets mandatory, enforceable climate emissions reduction goals leading the state to achieve net-zero emissions economy-wide by 2050. This legislation updates the previous 2014 Resilient Rhode Island Act, positioning the state to boldly address climate change and prepare for a global economy that will be shifting to adapt to clean technology.

As required by the 2021 Act on Climate, the Executive Climate Change Coordinating Council (EC4) delivered an update to the *2016 Greenhouse Gas Emissions Reduction Plan* to the Governor and General Assembly in December 2022, after the EC4 approved the *2022 Update* on December 15th. The *2022 Update* looked back at the *2016 Greenhouse Gas Emissions Reduction Plan* explaining the State's progress since then and highlighting priority actions leading up to the upcoming 2025

Climate Strategy. The *2022 Update* also provided some high-level emissions reductions modelling which indicated that more needs to be done across the state to reach the first Act on Climate emissions reduction mandate of a 45%, compared to 1990 emissions, by 2030. OER, together with other state agencies, is working to pursue the *2022 Update's* priority actions and create a solid 2025 Climate Strategy to ensure the State meets the 2030 mandate.

Subsequently, the EC4 will develop a plan to incrementally reduce climate emissions to net-zero by 2050 to be delivered to the Governor and the General Assembly by December 31, 2025 (called the '*2025 Climate Strategy*'). The plan will be developed via a robust stakeholder process and will address areas such as environmental injustices, public health inequities, and a fair employment transition as fossil-fuel jobs are replaced by green energy jobs. The *2025 Climate Strategy* will be a



Governor Dan McKee signing into law the 2021 Act on Climate

comprehensive working document that will be updated every five years thereafter.

For more information on efforts related to the 2021 Act on Climate, please visit:
<http://climatechange.ri.gov/aoc/>.

Executive Climate Change Coordinating Council (EC4)

The Executive Climate Change Coordinating Council (EC4) is a cabinet-level interagency body comprised of officials from state agencies with responsibility and oversight relating to assessing, integrating, and coordinating climate change efforts.

Member agencies include:

- RI Department of Environmental Management (Chair)
- RI Office of Energy Resources (Vice Chair)
- RI Coastal Resources Management Council
- Commerce RI
- RI Department of Administration
- RI Department of Health
- RI Department of Labor and Training
- RI Department of Transportation
- RI Division of Planning
- RI Division of Public Utilities and Carriers
- RI Emergency Management Agency
- Executive Office of Health and Human Services
- RI Infrastructure Bank
- RI Public Transit Authority

For more information on the EC4, please visit:
<http://climatechange.ri.gov/state-actions/ec4/>

Energy Efficiency & Demand Response

Rhode Island is a nationally recognized leader in energy efficiency and was ranked the seventh most energy-efficient state in the country in 2022. The state's commitment to energy efficiency not only saves customers money but drives significant economic activity and job growth – in 2021, the latest year that data is available, roughly 700 Rhode Island-based businesses were involved in Rhode Island's energy efficiency programs. Throughout 2022, OER continued efforts to advance the state's leadership in energy efficiency by promoting access to energy efficiency in underserved sectors and communities, collaborating on leading-edge program evaluations, and supporting efforts to decarbonize the heating sector.

Least-cost Procurement Energy Efficiency & Demand Response Programs

Energy efficiency is the installation of technologies or practices that use less energy to achieve the same or better outcomes. By reducing our energy demand in Rhode Island, energy efficiency is reducing pollution, saving us all money, and helping to decrease statewide greenhouse gas emissions. In addition, many energy efficiency jobs are local which means investments in efficiency are also supporting Rhode Island's clean energy economy.

Demand response is the purposeful time-shifting of energy use. Because energy demand varies throughout the day, across seasons, and even across years, our energy supply and delivery systems must be built to accommodate the times of greatest energy demand – energy peaks. By shifting the time of energy use, energy peaks can be lowered and better aligned with energy supply. Creating this kind of energy demand

flexibility can reduce costs for all ratepayers and can enable the use of more renewable energy such as solar and wind power.

OER supported energy efficiency and demand response efforts by promoting energy storage technologies such as batteries, encouraging the installation of air source heat pumps in weatherized homes, and participating in a study by the Energy Efficiency & Resource Management Council to quantify all cost-effective energy efficiency and demand response potential in Rhode Island. OER also supported the expansion of energy efficiency programs in the Pascoag and Block Island Utility Districts by providing financial and technical support. In both utility districts, Regional Greenhouse Gas Initiative (RGGI) dollars are being leveraged with ratepayer funds to extend the benefits of cost-effective energy efficiency measures to local families and businesses.

For other parts of the state, energy efficiency and demand response programs are funded by System Benefit Charge (SBC) dollars collected from Rhode Island Energy ratepayers. In 2021, the latest year that data was available, the energy efficiency programs helped ratepayers save 131,364 MWh of electricity, 316,434 MMBtu of natural gas, and 717,257 metric tons of greenhouse gas emissions. For more information on the state's energy efficiency programs, please visit: www.rieermc.ri.gov.

The Efficient Buildings Fund

The Efficient Buildings Fund (EBF) is established under Rhode Island General Laws, Chapter 46-12.24.2 and was launched in December 2015. EBF is jointly administered by OER and the Rhode Island Infrastructure Bank (RIIB). The fund provides financing to municipalities, schools, and quasi-governmental agencies pursuing cost-effective energy efficiency and/or renewable energy projects. The

program prioritizes deep energy savings projects where the total lifetime energy savings achieved by a project exceeds the total project and debt service costs. OER is primarily responsible for scoring and ranking applications to create a Project Priority List, which RIIB uses to prioritize borrowers for financing. Since its inception, the EBF has funded \$69.9 million in comprehensive energy efficiency and renewable energy projects.

RIIB and OER have partnered with Rhode Island Energy to provide no-cost energy audits to municipalities interested in identifying opportunities to make investments in energy efficiency at public buildings. Rhode Island Energy is also able to provide support to borrowers through assistance with the issuance of RFPs for their energy efficiency projects. To date, EBF has provided 22 loans to municipalities and utilities and the EBF-funded projects have resulted in a total of \$109 million

in energy savings. Significant savings can be attributed to energy savings from streetlight conversions and many participating municipalities have used the streetlight savings to further invest in deep energy retrofit projects in their buildings. OER has also expanded its Lead by Example initiative to include municipalities, which has led to increased outreach, engagement, and greater awareness of EBF as a tool for financing their municipal energy efficiency projects.

For more information on the EBF, please visit: <https://energy.ri.gov/renewable-energy/wind/rhode-island-efficient-buildings-fund-riebf>.



19.8 kW Rooftop PV System at Sweet and Salty Farm, Little Compton, RI

Rhode Island Agricultural Energy Program

Recognizing the vital role that farmers play in Rhode Island's economic and environmental framework, OER, in consultation with the Department of Environmental Management (DEM) aims to improve the accessibility of resources for farmers that will offset agricultural electric load through cost-saving energy efficiency measures and on-site renewable energy projects. Historically, farmers make use of older and traditional infrastructure, and often rely heavily on delivered fuels. These challenges have traditionally made agribusiness a hard-to-reach sector for standard energy efficiency and renewable energy programs.

The RI Agricultural Energy Program (RI AgEP) offers financial incentives to farms in Rhode Island of up to \$20,000 for energy efficiency and renewable energy projects. The program has continuously held two funding rounds each year, in spring and fall. The spring 2022 funding round awarded six farms for solar projects, with one farm undertaking a solar & battery storage project.

OER continues to streamline the ability for farmers to leverage the RI Agricultural Energy program with other farm-related programs and grants. By establishing and maintaining open lines of communication with the Department of Environmental Management, Commerce RI, Rhode Island Energy and USDA Rural Development, OER does not limit its outreach work to the RI AgEP, but also promotes all financial incentives available to farmers at the federal and state level. For more information on the RI Agricultural Energy Program, please visit www.energy.ri.gov/policiesprograms/programs-incentives/farms.php.

Pascoag Utility District Energy Efficiency Program

OER has a longstanding collaboration with the Pascoag Utility District (PUD) to help increase energy efficiency offerings and adoption in its territory.

The 2022 energy efficiency plan continued to deliver significant energy and cost savings to PUD customers through energy efficiency audits, LED lighting, and strong incentives for insulation and HVAC equipment upgrades. The utility also conducted a customer survey to inform future program development and investment opportunities throughout 2022. Based on the results of this survey, continued customer demand for efficiency programming, and the prior success of this effort, PUD proposed a modest increase in its energy efficiency charge for the first time. This increase, approved by the PUC to take effect in 2023, will help support continued investment in the core efficiency strategies that Pascoag customers have enjoyed for the past 5+ years and will position them to have a robust and self-sustaining efficiency program for years to come.

Block Island Utility District Energy Efficiency Program

Block Island Utility District (BIUD), with the support of OER and funding from RGGI auction proceeds, launched its first utility-run energy efficiency program with PUC approval in 2020. The efficiency program aims to educate and engage BIUD customers and deliver energy conservation measures including energy efficiency assessments, and upgrades to LED lighting, insulation and weatherization, and more efficient HVAC equipment. The utility district started the energy efficiency program to provide its customers with more information about, and control over, their energy usage and to help

manage the extreme peaks experienced on its grid due to the seasonal nature of operations on Block Island.

The 2022-2023 energy efficiency plan seeks to build on the initial customer interest for residential energy assessments, while also serving more business customers and working to facilitate greater contractor interest in serving the growing pipeline of customers on the island for weatherization and HVAC related services. The program year runs from June through the following May and BIUD expects to have its 2023-2024 plan in front of the PUC for review and approval in April of 2023. Further details about the new energy efficiency program can be found on Block Island Utility District's [website](#).

Zero Energy and High-Performance Buildings

Zero-energy buildings generate as much energy as they consume over the course of a year. These buildings not only save owners money on utility costs, but also provide a myriad of benefits including improved comfort, increased durability, and better indoor air quality. These benefits have been shown to lead to improved health, education, and productivity outcomes for occupants of various building types.

The Zero Energy for the Ocean State (ZEOS) program offers grants to design and construct affordable, energy efficient housing to serve low- and moderate-income Rhode Islanders.

A second round of the ZEOS program was funded with another \$250,000 from OER in 2021 and a third funding round is expected in 2023. In January 2022, 48 units of a new ZEOS-



Brookside Terrace in East Greenwich features 96 zero-energy housing units

funded apartment complex opened in East Greenwich. Once the construction and renewable installations are complete, the complex will add an additional 48 units and seek a passive-house certification. Rhode Island Energy's new construction programs also provide incentives and technical support for ZEB construction. OER is also a supporting partner in the City of Providence's RePowerPVD Challenge, their voluntary energy challenge program designed to help large buildings in the city conserve energy, save money, and gain recognition for their leadership in the race to become the first zero energy building in Providence.

For more information on Zero Energy Buildings, please visit www.energy.ri.gov/high-performancebuildings/index.php.

Achieving Community Efficiency (ACE) Grant Program

The Achieving Community Efficiency (ACE) grant sets out to “meet communities where they are” by providing customized resources and assistance in pursuit of each participating communities' specific energy needs.

Small, medium and rural (SMR) communities face unique challenges in energy management stemming from resource, staff, and capacity constraints and this program seeks to address those needs in three primary ways: first, to encourage and support building energy benchmarking efforts to make energy usage and cost information more accessible and actionable; second, to develop a sustainable model for employing a shared, on-site energy manager to provide technical assistance, program design and implementation, as well as energy usage tracking; and, finally, to develop and provide automated and customized resources on

comprehensive energy efficiency best practices that help communities achieve their energy goals.

After soliciting interest from municipalities and school districts statewide, six entities were selected to be partner communities for the initial pilot program, consisting of four municipalities (North Providence, South Kingstown, Warren, and North Smithfield) and two school districts (Barrington and North Providence). OER solicited bids from qualified energy service providers to serve as the shared-energy manager and brought one on board in June. The shared energy manager works alongside the partner communities to provide a range of services from energy benchmarking, energy planning, energy supply procurement, project management, and everything in between. Since being hired, the shared energy manager has provided benchmarking analysis to each of the partner communities and developed energy action plans for each community to work from.

During 2022, the shared energy manager has assisted these partner communities in executing on those energy action plans depending on their specific needs, through services such as energy supply procurement, energy efficiency project management and implementation support, technical assistance, and securing utility incentives and leveraging existing grant and financing programs to defray costs. The goal of the grant is to demonstrate the success of this shared energy management model and develop mechanisms with the partner communities to sustain these services after the grant award period and to replicate this model in other SMR communities around the country. The expectation is that several of the communities who participated in this grant effort will continue contracting with the shared energy manager in 2023 and beyond.

Renewable Energy

Rhode Island is home to a rapidly growing renewable energy industry. Strong programs such as the Renewable Energy Growth Program are stimulating the deployment of wind and solar projects throughout the state. The promotion of renewable energy contributes to local business and job growth; offers residents, businesses, and communities an opportunity to stabilize energy costs; and helps shrink carbon footprints.

Net-Metering and Virtual Net-Metering

The net-metering program is one of two solar programs available to homeowners and businesses interested in going solar. It is a mechanism for crediting the power produced by renewable energy systems installed behind a customer meter. Net-metering allows customers with eligible renewable energy systems to receive bill credits for all power generated up to 125 percent of the on-site consumption during a billing period. To participate in net metering, a renewable energy system must be sited on the customer's premises. Eligible customer-sited net metering systems must be sized to meet on-site loads, based on a three-year average of electricity consumption at the property.

Virtual Net Metering (VNM) allows certain eligible customers to connect their electric load regardless of whether the renewable system is located on the customers premises. VNM is particularly useful because it allows eligible entities to offset their electrical load even if the property is not deemed suitable for a renewable energy project. It also allows entities with large electrical loads to offset 100% of their energy use across multiple projects in different areas around the state, where the electrical load would otherwise be impossible to offset on-site.

Eligible Virtual Net Metering customers include state agencies, quasi-state agencies, municipalities, public housing authorities, public

schools, private schools, non-profits, federal government, and hospitals. Virtual net-metering is not available to residential or commercial customers. Virtual Net Metering projects are eligible up to 10 MW per project site. As of December 2022, RI Energy reports that 9,941 net-metered projects are interconnected in Rhode Island.

Renewable Energy Growth Program

The Renewable Energy Growth (REG) Program was launched to support the deployment of locally based wind, solar, anaerobic digestion and small-scale hydropower projects using a production-based incentive (PBI). Rhode Island Energy Customers can apply monetary bill credits to their electricity bills by selling renewable generation back to the grid.

The REG Program, administered by Rhode Island Energy with oversight by OER and the Distributed Generation Board, provides 15-year tariff payments to RI Energy customers. The payments are applied to a customer's energy bill, and any excess generation past their on-site usage is compensated in the form of a direct deposit. In turn, the construction and operation of REG installations help reduce and stabilize consumer energy costs, create job opportunities for clean energy workers, and help offset demand for more carbon-intensive energy resources.

In total, REG has provided incentives for over 6,900 projects. This includes mostly small scale solar, nearly one hundred medium, commercial, and large solar projects; several commercial-scale wind turbines; and two small-scale hydropower projects.

For more information on the REG Program, please visit [this page](#).

Renewable Energy Fund – Brownfields Program

The Renewable Energy Fund, along with OER, implemented a Brownfield Solar program, which is supported by state RGGI auction proceeds. Eligible projects include solar PV located on brownfield locations utilizing net metering or virtual net metering. Costs associated with remediation of the project location are not eligible for funding as there are other programs available to assist with those costs through other agencies. In 2021, the program was expanded to allow brownfield projects to also apply for an energy storage adder of up to \$40,000. The Brownfields Solar PV program approved two solar projects in 2022, with 5,525.28kW in total capacity, and grant awards totaled \$405,000.00.

You may view the CY2022 REF Annual Report [here](#).

Lead by Example

The Lead by Example program provides support to State agencies, quasi-state agencies, municipalities, public schools and public colleges and universities, assisting them as they transition their energy supply portfolios and consumption practices toward lower-cost, cleaner, low-carbon solutions, consistent with Rhode Island's economic, energy and environmental goals.

OER has been tasked with overseeing and coordinating activities across State government to reduce energy consumption identify opportunities to support a full transition toward renewable energy sources by 2025, support the integration of clean transportation solutions into the State's fleet, and establish a stretch building code for use in all State construction and renovation projects.

In 2022, OER continued this collaboration with multiple State agencies to pursue projects such as solar installations, LED streetlight conversions, EV charging infrastructure installations, and building energy efficiency projects including HVAC and lighting upgrades.

Energy Management

OER is supporting State agencies by making energy consumption and cost data accessible online. OER has centralized State agency energy data and billing for electric, natural gas, and delivered fuels. By centralizing these bills, OER is helping to improve energy usage and cost forecasting, streamline payment processes, and foster the development of innovative strategies to meet the State's energy reduction targets. OER has also made available a web-based utility bill management software to track and audit energy expenses and provide State agencies with enhanced online data access.

Energy Efficiency Purchasing Mechanisms

OER, in partnership with the Division of Purchases, has developed three purchasing mechanisms to support energy efficiency, renewable energy projects and transportation infrastructure. Master Price Agreement (MPA) 508 provides state agencies and other public entities with access to vendors that can deliver turnkey energy efficiency projects. MPA 509 provides state agencies and other public entities turnkey operation (equipment and services) of Electric Vehicle Supply Equipment (EVSE). Finally, MPA 553 OE (open enrollment) established a list of qualified firms to provide turnkey solar installation and maintenance services to public sector entities.

These MPAs are used regularly by State agencies and municipalities to easily and confidently procure important energy related services. By creating and maintaining these vendor lists, OER pre-screens and qualifies vendors to help other agencies navigate procurement of key energy related services in a more streamlined fashion.

Renewable Energy Projects

OER is spearheading efforts to increase the adoption of renewable energy resources across State facilities. Investments in both small and large-scale renewables, such as rooftop or ground-mounted solar, offer the potential to reduce long-term energy costs and exposure to price volatility, support local clean energy jobs, and "green-up" state agencies/facilities. To date,

eleven solar installations have been made operational: three on the Capitol Hill complex (Providence), one in the new Veterans home in Bristol, two at Rhode Island College (Providence), one (a carport) at the Public Utilities Commission building (Warwick), one at the Attorney General’s facility (Cranston), two at Rhode Island Army National Guard facilities (East Greenwich), and one at the Department of Environmental Management (Port of Galilee).

Public School Energy Programs

The Rhode Island Office of Energy Resources (OER) strategically prioritizes energy improvements in Public Schools. OER has already secured funding of \$20 million and, starting in 2021, developed two programs to support public schools in ten communities. These programs were developed with, and are supported by, partnerships with Rhode Island Energy, The Rhode Island Department of Education, and the US Department of Energy.

School Lighting Accelerator Program

Through its Lead by Example (LBE) Initiative, OER has been working with public entities for several years to develop and implement clean energy projects. OER developed a new program, the School Lighting Accelerator Program, to support schools in improving the quality of lighting in classrooms while also reducing their energy costs. OER’s program provides technical assistance, procurement support, implementation oversight, and financial incentives to Rhode Island public schools to accelerate the transition to LED lighting with controls in these important buildings. These LED lighting projects can provide immediate energy consumption and cost reductions; shrink public sector footprints; support clean energy jobs; and improve classrooms’ lighting quality.

In 2022, the program has already completed projects in seven schools and has active projects in seventeen additional schools across five school districts.



Providence School LED lighting installation.

US DOE Congressionally Directed Project – Energy Improvements For Rhode Island Schools

Many of Rhode Island’s public school buildings need significant investment to improve operations and occupant health, safety, and comfort while driving energy cost and greenhouse gas emissions (GHGs) reductions. This was brought into sharper focus as the COVID-19 pandemic demonstrated the importance of high-quality systems supporting indoor air quality in our public buildings. This program provides the education, technical and procurement resources, financial support, and training to install building automation systems (BAS) and other needed heating, ventilation, and air conditioning (HVAC) system upgrades in public schools across the state. Once installed, these systems will enable facility managers to better monitor and control building operations and deliver numerous benefits, including reduced energy costs, improved indoor air quality, and increased health, safety, and comfort for building occupants. Moreover, reduced and more efficient energy consumption will help reduce greenhouse gas emissions consistent with Rhode Island’s 2021 Act on

Climate, which establishes mandatory and enforceable, economy-wide GHG reduction targets culminating in net zero by 2050. This program will begin the implementation phase in early 2023 pursuant to the receipt of funding from the Department of Energy as a Congressionally Directed Project.

2022 Lead by Example Clean Energy Awards

The Rhode Island Office of Energy Resources (OER) recognized 26 state and quasi-government agencies, municipalities, and public schools for their renewable energy and energy efficiency achievements at its Fifth Annual Lead by Example Clean Energy Awards ceremony.

2022 Lead by Example Energy Award-Winners:

Category: Municipality – Town of Smithfield

The town of Smithfield upgraded its streetlights and installed electric vehicle charging stations at the Smithfield Municipal Ice Rink. It converted 1,625 streetlights to LEDs and installed two Level 2 charging stations.

Category: State Agency – Rhode Island Army National Guard and Department of Corrections



The Rhode Island Army National Guard has largest rooftop solar PV system on a state facility

Rhode Island Army National Guard installed a new rooftop solar project, the largest rooftop solar PV system on a state facility, at 550 KW. It also converted all interior and exterior lighting to LEDs at 15 major facilities.

The Department of Corrections converted 90 percent of its facilities to LED lighting and the agency plans to be 100 percent LED in the next year. At the same time, DOC also improved its HVAC systems by installing piping insulation and steam traps.

Category: Quasi-Public Agency – Quonset Development Corporation

The Quonset Development Corporation connects tenants of its business park with programs and resources that improve their operations, efficiency, and sustainability. To that end, the agency signed a non-binding memorandum of understanding with National Grid in 2020 to assist tenant businesses with energy efficiency measures. This has saved Quonset businesses an estimated \$2.7 million in annual energy bill savings and earned the businesses over \$3.3 million in energy efficiency program incentives.

The nominees that received honors:

Public Schools:

Barrington Public Schools, North Providence School Department, Lincoln Public School District, Chariho Regional School District, Foster-Glocester Regional School District, West Warwick Public Schools, South Kingstown School Department, Providence Public Schools

Municipalities:

Town of Warren, Town of Barrington, City of Newport, City of Warwick, Town of Narragansett, City of Providence

State Agencies:

Rhode Island College, Rhode Island Department of Business Regulation, Rhode Island Department of Administration, Rhode Island Department of Environmental Management, Rhode Island Department of Transportation

Quasi-Public Agencies:

Rhode Island Airport Corporation, Providence Water

For more information on Lead by Example, please visit: <https://energy.ri.gov/lead-example>

Thermal Sector

Heating and thermal energy use accounts for roughly one-third of Rhode Island's statewide energy consumption and approximately 35 percent of statewide greenhouse gas emissions. OER is helping lead efforts to develop strategies for expanding access to more energy efficient and cleaner energy heating solutions for homes and businesses. Existing and emerging alternative heating technologies offer the promise of reducing thermal consumption and long-term consumer costs; mitigating the thermal sector's impact on the environment; and creating new investment and employment opportunities throughout our economy.

Thermal Decarbonization Program Manager

The Thermal Decarbonization Program Manager focused in 2022 on leading the state's effort to decarbonize heating, cooling, and other thermal processes in the state, in accordance with the mandates of the 2021 Act on Climate. This work is informed by the findings of the **Heating Sector Transformation Report** from 2020. As recommended by the report, the initial focus is on the strategic conversion to electrification (i.e., air source heat pumps). Other decarbonization pathways are not being foreclosed on, however, including geothermal, biofuels, and renewable gas for the industrial sector. It will take a mix of decarbonization strategies to reach net zero emissions in this sector and the Thermal Decarbonization Program Manager is exploring all avenues to help meet the Act on Climate mandates.

Enhanced Air Source Heat Pump Incentives

OER continues to provide financial incentives for oil and propane customers to switch to air source heat pumps (ASHPs) for whole-home heating and cooling. The incentive provided a

\$1,000 per ton rebate on ASHPs installed by qualified contractors (a ton is a metric to measure the amount of heating and cooling a building needs). Eligible installations began in March 2021 and proved to be very popular, experiencing rapid uptake to meet high market demand.



Outside system for air source heat pump at Burgess Farm

The average rebate a household received was approximately \$3,400. On average, each household that received a rebate will reduce their CO₂ emissions by nearly 3 tons on an annual basis, for the lifetime of the system, and the emissions savings will continue to increase as the electric grid decarbonizes. Because ASHPs are several times more efficient than oil and propane heating systems, and the price of electricity is lower and more stable than heating fuel, this also translates to monthly savings on overall energy spending for these households.

This program, which is limited in its scope, is expected to continue until the upcoming High-efficiency Heat Pump Program (HHPP) is launched sometime in June 2023.

High Efficiency Heat Pump Program (HHPP)

On July 28, 2022, Governor Dan McKee, joined by the Office of Energy Resources, announced the High-efficiency Heat Pump Program (HHPP). The program will provide financial incentives for highly efficient electric heat pumps to both residential and commercial customers and is expected to become available to the public in the spring of 2023. HHPP builds upon an existing incentive for heat pumps that is smaller in scope with limited eligibility. In addition to financial incentives, HHPP will provide opportunities for workforce development and education of efficient electric heating.

OER has been allocated \$25 million dollars from the federal [American Rescue Plan Act \(ARPA\)](#), through the enacted FY23 State Budget, for HHPP. At least 40 percent of funds shall be used to provide incentives to disadvantaged communities.

There will be four categories of the HHPP:

- The **Residential Incentive** will be available to all Rhode Island customers who currently use fossil fuel heating and cooling appliances.
- The **Enhanced Incentive** will provide additional funds to low-income and disadvantaged customers.
- The **Community Incentive** will be available to Rhode Island small businesses, non-profits, community organizations, and public buildings.
- The **Workforce Development** incentive will provide opportunities to scale up and further train the clean HVAC industry.

These incentives aim to assist a wide range of customers by lowering the cost of heat pumps to help replace the need to burn fossil fuels for heating and cooling. Heat pumps move heat from outside to inside (in heating mode) or indoors to outdoors (in cooling mode). OER expects the program to launch in July 2023.

Transportation

Transportation is the costliest energy sector in Rhode Island, accounting for about 40 percent of statewide energy expenditures. The sector also remains heavily dependent on petroleum-based fuels such as gasoline and diesel, with major implications for long-term environmental sustainability. OER has worked with stakeholders to promote the use of alternative and clean transportation solutions that can reduce overall energy consumption and long-term consumer costs; mitigate the transportation sector's impact on our environment and create new opportunities for industry growth.

Ocean State Clean Cities Coalition

In April 2022, the OSCCC was transferred to the Office of Air Resources (OAR) located at the Department of Environmental Management. For more information on OSCCC, please visit: <https://dem.ri.gov/environmental-protection-bureau/air-resources/ocean-state-clean-cities>

DRIVE EV

In March 2022, Governor McKee announced the establishment of an electric vehicle rebate program, [DRIVE EV](#). The program was formally launched on July 7, 2022.

Driving Rhode Island to Vehicle Electrification (DRIVE) is an electric vehicle (EV) rebate program administered by the Rhode Island Office of Energy Resources (OER) to support adoption of electric vehicles by Rhode Island residents, small-businesses, non-profits, and public sector entities.

DRIVE EV also provides additional incentives for qualified Rhode Islanders who purchase or lease an eligible electric vehicle and meet certain income requirements or participate in a State or Federal Income-Qualifying Program.

As of December 2022, the program has approved over 200 applications. For more information on DRIVE EV, please visit: www.drive.ri.gov.

The Erika Niedowski Memorial Electric Bicycle Rebate Program



The Office of Energy Resources launched the [Erika Niedowski Memorial Electric Bicycle Rebate Program](#) in October 24, 2022, and is an extension of the DRIVE EV Rebate program.

This e-bike rebate program is in memory of Erika Niedowski, in honor of a dedicated public servant, journalist and clean energy advocate. Erika passed away in October 2020.

The Erika Niedowski Memorial Electric Bike rebate helps increase access to zero emission electric bicycles, making them more affordable and accessible to Rhode Islanders.

This E-bike rebate program, also provides rebates for qualified Rhode Islanders who meet certain income requirements or participate in a State or Federal Income-Qualifying Program.

As of December 2022, the program has approved over 100 applications. For more information visit the program [website](#).

The state agencies are currently working to develop a deployment plan to include construction, operation, and maintenance of the Phase 1 stations.

For more information on the RI NEVI Program, please visit www.energy.ri.gov/rinevi.

Electrify Rhode Island

In October 2019, OER launched Electrify RI – an electric vehicle (EV) charging station incentive program that is supporting greenhouse gas emissions reductions across the state’s transportation sector by encouraging the adoption of more sustainable transportation solutions. The program has helped incentivize the installation of new EV charging stations at Rhode Island workplaces, multi-unit dwellings, state and local government properties, and publicly accessible locations.

Electrify RI made \$1.4 million available to Rhode Island companies, government entities, non-profits and multi-unit dwellings, on a first-come first-served basis, to install Level II and Direct Current Fast Charging (DCFC) stations. As of December 2022, Electrify RI has installed 70 Level 2 charging stations with 140 ports, and 23 DCFC charging stations with 23 ports throughout the state of Rhode Island.

For more information on the Electrify RI Program, please visit: <https://energy.ri.gov/transportation/electric-vehicles/electrify-ri>

The funds for Electrify RI come from the Volkswagen Diesel Settlement (VW Settlement) Environmental Mitigation Trust and are being invested pursuant to the state’s Beneficiary Mitigation Plan (BMP) to achieve significant and sustained reductions in diesel emissions and expedite development and widespread adoption of zero emission vehicles. Other funds from this

settlement are supporting an all-electric bus pilot program at the Rhode Island Public Transit Authority (RIPTA). For more information on the VW settlement, please visit: www.dem.ri.gov/programs/air/vwsettle.php.



Rhode Island's National Electric Vehicle Infrastructure (NEVI) Program

National Electric Vehicle Infrastructure (NEVI) Formula Program was signed by President Joe Biden in November 2021, the Bipartisan Infrastructure Law (BIL) provides states with \$7.5 billion to help make EV charging more accessible to all Americans for local and long-distance trips. This \$7.5 billion comprises the \$5 billion National Electric Vehicle Infrastructure (NEVI) Formula Program and the \$2.5 Discretionary Grant Program for Charging and Fueling Infrastructure.

RI submitted the EV Infrastructure Plan to FHWA on August 1, 2022, and received plan approval on September 14, 2022.

Rhode Island will receive a total of \$23 million in dedicated formula funding over 5-year period.

The RI Office of Energy Resources is the lead agency in charge of managing the NEVI RI EV Infrastructure Plan in partnership with the RI Department of Transportation (RIDOT) and the RI Department of Environmental Management (RIDEM).

The initial focus of this funding (Phase 1) is for states to strategically deploy Direct Current Fast Charging (DCFC) stations along its designated Alternative Fuel Corridors (AFCs), to help build out the national EV AFC network. I-95 is Rhode Island's only Alternative Fuel Corridor.

After Phase 1 is complete, the state may use NEVI Formula Program funds for EV charging infrastructure on any public road or other publicly accessible location (Phase 2).

Energy Justice

In 2022, OER hired a new staff member, Greg Ohadoma, focused on energy justice issues. This position, the Energy Justice Program Manager, focuses on the equitability, accessibility, and inclusivity of OER’s programs, policies, and initiatives. Having a full-time staff member dedicated to energy justice ensures that we, as an agency, dedicate quality time to energy equity and provide support to all staff members as we work to better integrate equity and justice into our program and policy designs and evaluations.

OER has dedicated time to discussing concepts like inequities within the energy system, current Rhode Island demographics (including socioeconomic indicators and energy-specific indicators like energy burden). These presentations connect the state’s history of slavery, segregation, and redlining to wealth and health disparities that exist across the state, and connect those disparities to similar energy disparities, such as high energy burdens. OER recognizes that these efforts are only introductory and is committed to continuing internal education and discussion.

Energy justice is an issue across the state, not just in our urban centers. Our office is conducting outreach to rural areas of Rhode Island as well – zones which may not have adequate to our electric grid – and considering how our programs may be designed to bring more affordable and reliable energy access to these communities.

OER plans to continue testing new ways to improve our outreach and public participation events so that all Rhode Islanders can participate and/or be represented. By continuing to track participant demographics, we plan to report on our progress annually.

We are committed to collaboration with frontline and environmental justice communities to improve energy justice and equity throughout Rhode Island.

Since starting his role in late 2022, Greg Ohadoma has been assessing the current landscape in Rhode Island. He has met with advocates, community-based organizations, environmental non-profits, academia, and members of the Rhode Island state legislature to

Equity Recommendations

We must center equity and include community engagement in program design to improve access to clean energy benefits for all Rhode Islanders. Throughout this effort, we will identify and address systemic racism and historic inequalities.



Partner with trusted community organizations to listen, learn, support, and establish foundational definitions.



Based on foundational definitions, develop **equity metrics** with the community to track and monitor progress towards equitable outcomes.



Improve **outcomes** identified and prioritized by communities through rate design, program adjustments, and policy.

understand some of the Energy Justice issues facing residents. Additionally, in conjunction with the Rhode Island Department of Environmental Management, he has co-hosted town hall meetings called Climate Justice Hours.

Along with developing energy justice goals and metrics our energy justice program manager is also exploring pathways for wealth building and resilience in disadvantaged communities around the state. Workforce development has also become an important and necessary initiative as OER seeks to reconcile past inequalities in the energy system and ensure equal access for all.

Appendix



Appendix A: Rhode Island Energy Resources Act

OER's purposes under the Rhode Island Energy Resources Act are to:

- Develop and put into effect plans and programs to promote, encourage, and assist the provision of energy resources for Rhode Island in a manner that enhances economic well-being, social equity, and environmental quality;
- Monitor, forecast, and report on energy use, energy prices, and energy demand and supply forecasts, and make findings and recommendations with regard to energy supply diversity, reliability, and procurement, including least-cost procurement;
- Develop and to put into effect plans and programs to promote, encourage and assist the efficient and productive use of energy resources in Rhode Island, and to coordinate energy programs for natural gas, electricity, and heating oil to maximize the aggregate benefits of conservation and efficiency of investments;
- Monitor and report technological developments that may result in new and/or improved sources of energy supply, increased energy efficiency, and reduced environmental impacts from energy supply, transmission and distribution;
- Administer the programs, duties, and responsibilities heretofore exercised by the state energy office, except as these may be assigned by executive order or the general laws to other departments and agencies of state government;
- Develop, recommend and, as appropriate, implement integrated and/or comprehensive strategies, including at regional and federal levels, to secure Rhode Island's interest in energy resources, their supply and efficient use, and as necessary to interact with persons, private sector, non-profit, regional, federal entities and departments and agencies of other states to effectuate this purpose;
- Cooperate with agencies, departments, corporations, and entities of the state and of political subdivisions of the state in achieving its purposes;
- Cooperate with and assist the state planning council and the division of state planning in developing, maintaining, and implementing state guide plan elements pertaining to energy and renewable energy;
- Coordinate the energy efficiency, renewable energy, least cost procurement, and systems reliability plans and programs with the energy efficiency resource management council and the renewable energy coordinating board;
- Participate in, monitor implementation of, and provide technical assistance for the low-income home energy assistance program enhancement plan established pursuant to § 39-1-27.12;
- Participate in and monitor the distributed generation standard contracts program pursuant to chapter 39-26-2;
- Coordinate opportunities with and enter into contracts and/or agreements with the economic development corporation associated with the energy efficiency, least-cost procurement, system reliability, and renewable energy fund programs;
- Provide support and information to the division of planning and the state planning council in development of a ten (10) year Rhode Island Energy Guide Plan, which shall be reviewed and amended if necessary every five (5) years;
- Provide funding support if necessary to the renewable energy coordinating board and/or the advisory council to carry out the objectives pursuant to chapter 42-140-3;
- Advise and provide technical assistance to state and federally funded energy program to support:

-
- The federal low-income home energy assistance program which provides heating assistance to eligible low-income persons and any state funded or privately funded heating assistance program of a similar nature assigned to it for administration;
 - The weatherization assistance program which offers home weatherization grants and heating system upgrades to eligible persons of low-income;
 - The emergency fuel program which provides oil deliveries to families experiencing a heating emergency;
 - The energy conservation program, which offers service and programs to all sectors; and
 - [Deleted by P.L. 2008, ch. 228, § 2, and P.L. 2008, ch. 422, § 2.]
 - Advise the economic development corporation in the development of standards and rules for the solicitation and award of renewable energy program investment funds in accordance with § 42-64-13.2;
 - Develop, recommend, and evaluate energy programs for state facilities and operations in order to achieve and demonstrate the benefits of energy-efficiency, diversification of energy supplies, energy conservation, and demand management; and
 - Advise the governor and the general assembly with regard to energy resources and all matters relevant to achieving the purposes of the office.

Appendix B: System Benefits Charge

OER receives the majority of its funding for staffing through the System Benefits Charge (SBC). OER received \$912,213.88 from the SBC in 2022. These funds are used for staffing activities associated with the development, implementation, and evaluation of energy efficiency and clean energy programs; system reliability; energy security; and regional energy system activities. In addition, these funds support OER's engagement in regulatory proceedings and other actions pertaining to the purposes, powers, and duties enumerated in the Rhode Island Energy Resources Act.

As of December 31, 2022, OER is staffed with fourteen (14) full time state employees, and the SBC funding provides approximately 37 percent of annual salaries and fringe, with the balance contributed from other limited restricted receipt and federal funds.

The invaluable funding resources provided through the SBC have supported the numerous activities and accomplishments detailed throughout this Annual Report, including, but not limited to:

- Providing ongoing support to implement the 2021 Act on Climate law;
- Oversight and development of the state's annual Clean Energy Jobs Report;
- Program, technical, and administrative support for the state's nation-leading energy efficiency programs;
- Coordination and implementation of additional energy efficiency initiatives, including the Efficient Buildings Fund, Zero Energy and High-Performance Buildings, the Farm Energy Efficiency Program, and Utility District Energy Efficiency Programs;
- Direct implementation and/or programmatic support for renewable energy programs that grow our local clean energy economy, including the Renewable Energy Growth Program and clean energy procurements;
- Design and implementation of program initiatives and market development strategies for promoting alternative, clean heating and transportation solutions;
- Coordination of grid of the future efforts to transition the state to a modern distributed energy system;
- Implementation of the state's "Lead by Example" initiative to reduce energy consumption, lower GHG emissions, and promote renewable energy across State Government facilities;
- Active participation in important regulatory proceedings necessary to implement state mandates and policy goals, such as least-cost procurement activities (system reliability and energy efficiency), renewable distributed generation programs, rate design and electric distribution system planning;
- Engagement on regional energy infrastructure issues, working in collaboration with the New England states, ISO-NE, and other stakeholders; and
- Providing ongoing support on energy security matters during severe weather related events with the Rhode Island Emergency Management Agency.

Appendix C: Regional Greenhouse Gas Initiative Annual Report

2022 Regional Greenhouse Gas Initiative Proceeds Investments Annual Report

In 2007, the Rhode Island General Assembly enacted Chapter 23-82 of the General Laws, entitled Implementation of the Regional Greenhouse Gas Initiative Act. In doing so, the General Assembly declared that “scientific findings indicate that the increase in greenhouse gas emissions, including carbon dioxide, is accelerating the natural greenhouse effect resulting in changes in the Earth’s climate” and that “climate changes pose serious health risks to humans, as well as danger to ecosystems worldwide.” The Act enabled Rhode Island to join other states in the formation of the Regional Greenhouse Gas Initiative (RGGI) – the nation’s first mandatory multistate program to reduce power sector carbon dioxide (CO₂) emissions. In the years since, state participation in RGGI has generated auction proceeds that have been strategically deployed to advance Rhode Island’s energy policy goals, while simultaneously growing clean energy jobs and reducing greenhouse gas emissions. This report provides an overview of the important clean energy programs and investments enabled by RGGI auction proceeds allocated through the state’s Allocation Plans.

To effectuate the reduction of greenhouse gas emissions in the electric power generation sector, RGGI establishes a regional cap on the amount of CO₂ pollution that power plants can emit by issuing a limited number of tradable CO₂ allowances. Each allowance, which are allocated through quarterly regional allowance auctions, represents an authorization for a regulated power plant to emit one short ton of CO₂. Individual CO₂ budget trading programs in each RGGI state effectively create a regional market for the allowances, and leverage market forces to determine the most cost-effective

means of reducing emissions while fostering market certainty to help drive long-term investment in cleaner energy sources. RGGI consists of eleven participating states, including Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and Virginia.

In Rhode Island, RGGI auction proceeds are allocated by the state’s Office of Energy Resources (OER) to drive investment in – and expansion of – clean energy resources, including cost-effective energy efficiency and renewables and provide direct rate relief to low-income customers.

RGGI Proceeds Allocation Process

Per statute, OER is authorized to allocate state RGGI auction proceeds for the following purposes:

- Promotion of cost-effective energy efficiency and conservation;
- Promotion of cost-effective renewable non-carbon emitting energy technologies;
- Cost-effective direct rate relief for consumers;
- Direct rate relief for low-income consumers;
- Reasonable compensation to RGGI, Inc.; and
- Reasonable costs of OER and the Department of Environmental Management (DEM) in administering the RGGI program.

Pursuant to RIGL §23-82-5, RGGI, Inc. is authorized to receive, hold, and sell CO₂ allowances for the long-term benefit of consumers. The statute also authorizes RGGI, Inc. to conduct the auctions or sales; collect the auction proceeds and transfer such proceeds to OER. OER then distributes and allocates the proceeds of the auctions or sales in accordance with §23-82-6.

To accomplish these purposes, OER engages with DEM and the Energy Efficiency and Resource Management Council (EERMC), periodically draft and implement allocation plans describing how auction proceeds are to be expended. Each proposed allocation plan is made available for public comment and public hearing. A notice is posted on the websites of OER and the Rhode Island Secretary of State announcing a public comment period to accept comments on the proposed plan. OER provides at least thirty (30) day notice of the public hearing. After the public hearing, OER allows an additional ten (10) day period for interested persons to submit data, views or arguments in writing. OER maintains a record of all public comments and responds to each substantive issue raised. It is then that OER finalizes the allocation plan and posts a copy on its website.

For more information, please visit OER's RGGI website at: www.energy.ri.gov/policies-programs/programs/incentives/rggi.php.

Summary of RGGI Auction Proceeds Allocated in the 2022 Allocation Plans

Plan	Finalized	# Of Auctions	Auctions Held	Gross Proceeds
2022- A Plan	August 2022	2	September 8, 2021 & December 2, 2021	\$9,479,401.90
2022- B Plan	September 2022	2	March 9, 2022 & June 1, 2022	\$10,537,520.60
2022-C Plan	November 2022	2	September 9, 2022	\$5,054,792.45
2022-D Plan	January 2023	1	December 7, 2022	\$4,881,901.80

RIGL §23-82-6(a)(5) authorizes the reasonable compensation of an entity to administer the auction on behalf of the State of Rhode Island.

RIGL §23-82-6(a)(6) authorizes the reasonable costs of OER and DEM in administering the RGGI program. The total reimbursement to both entities shall not in any year exceed \$300,000 or ten percent (10%) of the proceeds, whichever is greater.

For more information on Rhode Island’s participation in RGGI and to view the state’s past RGGI Auction Proceed Allocation Plans, please visit: www.energy.ri.gov/policies-programs/programs-incentives/rggi.php.