Michael R. Kirkwood General Manager &CEO



June 17, 2014

Marion S. Gold, Commissioner Rhode Island Department of Administration Office of Energy Resources One Capitol Hill Providence, Rhode Island 02908

Re: <u>Proposed 2014 Plan for the Allocation and Distribution of</u>
Regional Greenhouse Gas Initiative Auction Proceeds

Dear Commissioner Gold;

On behalf of Pascoag Utility District ("PUD"), I recently reviewed the RGGI Allocation in the plan referenced above, and was extremely pleased to read in Section 5.3.2g that the Rhode Island Office of Energy Resources has recommended an allocation to PUD of \$62,500 from RGGI funds for energy efficiency, renewable energy, or similar cost-effective clean energy investments.

As you know based on recent collaborative and informative discussions between our two organizations, PUD has been extremely active over the last several years in energy efficiency and clean energy efforts, especially in relationship to our relatively small size (4,600 electric and 1,100 water customers).

We currently have a very aggressive LED street-lighting retrofit program being implemented. Based on discussions with your staff, the allocated RGGI funds, in conjunction with a portion of PUD's other energy efficiency rebate money and a contribution from its capital reserve fund, would allow PUD to greatly increase the saturation of the LED program to the point where approximately 85% of its less efficient sodium vapor public street lights will be converted to LED's. To-date, the customers of PUD have been very receptive to this program, and believe the clean, white light emitted by LED streetlights is superior compared to the older fixtures. Better quality of lighting together with the high efficiency of LEDs represents a vast improvement for our customers in both quality of life and lower operational costs.

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We thank you so much for including PUD in the recommended allocation of RGGI funds. If this level of funding or similar allocation remains in the final plan, it will truly be a win-win situation for PUD and its customers.

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