

January 25, 2023

Danielle Jameson  
Rhode Island Office of Energy Resources (OER)  
1 Capitol Hill  
Providence, RI 02908

## RE: 2023-B Plan for the Allocation and Distribution of RGGI Auction Proceeds

Dear Danielle,

Acadia Center appreciates the opportunity to provide comments and feedback on the Office of Energy Resources (OER)'s allocation and distribution of Regional Greenhouse Gas Initiative (RGGI) proceeds.

### Pre-Weatherization Barrier Remediation

Energy efficiency investments remain the most cost-effective strategy to meet the state's greenhouse gas (GHG) reduction targets. Yet, many of the benefits of energy efficiency fail to reach the residents needing the most relief due to immense pre-weatherization barriers. The most underserved populations (including low and moderate income, renters, and non-English speaking) tend to live in poorer quality housing with pre-weatherization barriers (such as mold, asbestos, or knob and tube wiring) or absentee landlords, preventing them from being treated by efficiency programs. Acadia Center urges OER to direct RGGI funding to address pre-weatherization barriers, particularly for low- and moderate-income customers, and to continue its work to identify and leverage additional funding sources for this purpose.

### Equitable Distribution

Acadia Center urges OER to ensure RGGI investments are distributed equitably throughout Rhode Island's communities—particularly those most impacted by the effects of air and climate pollution. OER and partner agencies must make a commitment and report on their efforts to follow the federal Justice40 Initiative to direct at least 40 percent of overall RGGI investment benefits to disadvantaged communities that are marginalized, underserved, and overburdened by pollution. The geospatial [Climate and Economic Justice Screening Tool \(CEJST\)](#) was developed alongside Justice40 guidance to assist agencies in defining and identifying disadvantaged communities. Acadia Center recommends collecting geo-referenced data, at the census or municipality level at a minimum, from projects administered with RGGI funds, in order to track the geographic distribution of impact.

### Transparency in Reporting

Overall, Acadia Center recommends more transparency on how Rhode Island's RGGI funds are allocated and spent. For each program year, there is a significant lag in reporting time and an absence of annual reports describing the implementation and operation of RGGI in Rhode Island, as required in § 23-82-6 (d). An overview and comparison of program allocations will help OER, RGGI, and stakeholders better assess the distribution, evolution, and ideally, impact, of the state's RGGI allocations. It will also help stakeholders understand what portion of allocations are not

spent, reallocated, or rolled over between auctions. For a more accessible understanding and comparison of RGGI allocations, Acadia Center recommends supplementing proposed allocation plans with a table (such as is demonstrated in Table 1) and other visual representation. Consistent categories, color-coding, and percentage of programmatic allocation would allow stakeholders to more easily compare the distribution of RGGI funds from year to year.

**Table 1: Total programmatic allocation (after accounting for administrative expenses): \$9,022,500.71**

Amount (\$)	Percentage (%)	Program	Party	Category
\$4,000,000.00	44.33%	shall be allocated to be used <b>for energy efficiency appliance and/or energy efficiency reduction measures</b> in coordination with the federal Home Efficiency Rebate and/or Home Electrification and Appliance Rebate Programs that OER will be administering to help households reduce their long-term energy costs.	OER, coordinated with federal programs	promotion of cost-effective energy efficiency and conservation
\$1,839,500.71	20.39%	shall be allocated to support residential and commercial <b>low- and moderate-income solar</b> grant and financing programs by OER and Renewable Energy Fund	OER, Commerce	renewable non-carbon emitting energy technologies
\$683,000.00	7.57%	shall be allocated to maintain ongoing support for the installation and operation of <b>Air-Source Heat Pumps (ASHP) that Rhode Island Energy has been administering</b> . ASHPs are critical measures for supporting the achievement of the state’s greenhouse gas emission reduction goals. These funds will support direct customer incentives and/or customer financing programs delivered through Rhode Island Energy administered programs. Funds allocated to Rhode Island Energy shall be tracked and managed. Any funds not used by Rhode Island Energy for the ASHP program shall be transmitted back to OER no later than July 1, 2024, that will be repurposed for energy efficiency and/or renewable energy measures referenced in this allocation plan.	RI Energy	renewable non-carbon emitting energy technologies

\$2,250,000.00	24.94%	shall be allocated to support and implement <b>energy efficiency and renewable energy projects</b> at state agencies, municipalities, schools and/or private properties. Use of these funds may be done in collaboration with the Rhode Island Infrastructure Bank energy programmatic efforts to advance the goals of the State of Rhode Island's Lead by Example Initiative and Act on Climate objectives.	Rhode Island Infrastructure Bank	Energy efficiency and/or renewable energy
\$250,000.00	2.77%	shall be allocated to support the <b>Rhode Island Agricultural Energy Grant Program</b> , a collaborative project of OER and DEM. This program helps local farmers "green" their operations and benefit from energy and cost savings achieved through energy efficiency and renewable energy projects. OER will coordinate with DEM on implementation of this program to support alignment with other existing clean energy initiatives available to Rhode Island's agricultural community.	OER and DEM	Energy efficiency and/or renewable energy

### Engagement

Broader annual reports summarizing RGGI program goals and allocations may also be more accessible and conducive to public engagement. Given limited engagement in RGGI allocation comment periods, Acadia Center invites OER to revisit how to best engage stakeholders in the strategic direction and distribution of RGGI investments in the state of Rhode Island. In addition to more transparent and visual reporting, Acadia Center advises the convening of a compensated Environmental Justice Advisory Board or Climate Justice Working Group which would advise the Executive Climate Change Coordinating Council (EC4). Such a board or working group would advise the EC4 on climate change efforts, including the RGGI program, with respect to potential impacts on, benefits to, and special considerations for disadvantaged individuals and communities.

Sincerely,

Emily Koo

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