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May 12, 2025

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

RE: 2025-A Plan for the Allocation and Distribution of RGGI Auction Proceeds

To Whom It May Concern:

Acadia Center appreciates the opportunity to provide written comments on the proposed 2025-A Plan for the Allocation and Distribution of Regional Greenhouse Gas Initiative (RGGI) Proceeds. We support the plan's intent to balance relief and investments, but urge for stronger prioritization of enduring climate and equity outcomes. We also encourage your review and consideration of Acadia Center's recent report, RGGI Funds in Action: Insights into the Allocation of RGGI Proceeds, which highlights similar themes of environmental justice prioritization and improved reporting. In addition, for better awareness of public comment periods, we request that OER share future allocation plans to OER's email distribution list, within OER's newsletter, at Energy Efficiency Council meetings, with the EC4 AB/STAB, or other outlets.

Pre-Weatherization Barrier Remediation

Acadia Center urges OER to include pre-weatherization barriers in its allocation towards residential energy efficiency. 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 continues to see funding to address pre-weatherization barriers, particularly for low- and moderate-income customers, as a key gap that must be addressed with additional funding sources such as RGGI. Without these investments, the state risks missing out on significant GHG reductions.

Action Beyond Short-Term Rate Relief

Acadia Center has long advocated for RGGI allocations to prioritize investments in energy efficiency measures as the most cost-effective, reliable, and long-lived method to reduce energy burdens while delivering additional benefits including emissions reductions, improved health and safety, and improved thermal comfort. While Acadia Center has historically expressed concerns with allocating RGGI funds for the purpose of near-term rate relief, we understand that a historically cold winter and the volatility of fossil fuel supply, among other factors, has exacerbated pressures on consumers. We would simply emphasize that prudent investments in energy efficiency measures have the potential to provide greater long-term relief. To that end, Acadia Center urges OER to not shy away from the most potent tool Rhode Island has to empower consumers and insulate families and businesses from rising energy costs –

not only in future RGGI allocations but also in the upcoming energy efficiency planning cycle. A range of more systemic safeguards may also be pursued to make bills more affordable in the long term, such as income-tiered rates.

Lead By Example

Recent RGGI allocations have seen a significant portion of funds allocated to the state's Lead by Example (LBE) efforts, including energy efficiency and renewable energy projects at state facilities, schools, and municipalities – 28% or \$2.5 million of the current allocation. Across the four RGGI allocations in 2024, over \$6 million supported energy efficiency and renewable energy projects at state government facilities. While OER did release a Lead by Example annual report at the start of 2025, it remains critical to assess the extent to which these significant RGGI investments have advanced the state's progress in implementing its LBE commitments (EO 2023-06 and EO 2015-17). Acadia Center would like to better understand the impact of RGGI investments on the state's LBE efforts, such as in reducing operating and maintenance costs and cutting greenhouse gas emissions.

Annual Impact Reporting

R.I. Gen. Laws § 23-82-6 (d) on the Implementation of the Regional Greenhouse Gas Initiative Act directs that the Office of Energy Resources (OER) shall prepare a report annually describing the implementation and operation of RGGI in Rhode Island, which shall be made public and be posted to OER's website and also submitted to the general assembly. As previously noted, Acadia Center sees great value in such annual reports and transparency regarding allocation portions that remain unspent, are reallocated, or rolled over between auctions. Annual reports enable stakeholders to better assess the distribution, evolution, and ultimately, impact of RGGI program allocations actually spent throughout the year. The impact of each year's program allocations may then be compared to previous years as well as other state programs, and may inform future allocations. We would look forward to seeing progress on the development of a dashboard that shares many of these details of RGGI program allocations.

Continued Commitment to Equity

Finally, amid significant federal upheaval, Acadia Center urges OER to stay the course on its continued commitment to equity in its allocation of RGGI investments. It is critical that this program center those most impacted by the effects of air and climate pollution. Acadia Center recommends continuing to commit to the goals of Justice40, with at least 40 percent of overall RGGI investment benefits directed towards disadvantaged communities that are marginalized, underserved, and overburdened by pollution.

Thank you for your consideration.

Sincerely,

Emily Koo Senior Policy Advocate and Rhode Island Program Director ekoo@acadiacenter.org