



## ENE Applauds Rhode Island General Assembly's Passage of Key Energy Reforms

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**For Immediate Release**  
**May 21, 2010**

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PROVIDENCE, RI-- The General Assembly passed key energy reforms last night, sending the signal that Rhode Island is serious about taking control of its energy future and reducing energy costs for all of its citizens. The reforms clear the way for National Grid to make deep investments in energy efficiency, saving Rhode Island customers hundreds of millions of dollars in lower energy bills.

“The General Assembly has put Rhode Island firmly on track to nationally leading energy efficiency efforts,” said ENE (Environment Northeast) Executive Director Daniel Sosland. “These reforms clear the path for investing in energy efficiency that saves Rhode Island customers money, reduces global warming pollution, creates jobs and keeps energy dollars in the state.”

The bill accomplishes three key policy reforms that remove barriers to investing in energy efficiency:

- Utility rate reform (or “decoupling”) aligns National Grid’s incentives with its customers’ interests. Under the old system, the utility made money with increased sales of electricity and the company lost money when customers reduced their use through efficiency. The new law removes this disincentive for the utility to invest in energy efficiency programs and help customers save money by reducing the amount of energy they use.
- Clear instructions to the RI Public Utilities Commission to approve funding that allows the utility to provide energy efficiency programs that include energy audits, rebates, and other incentives that will enable residential, low-income, municipal, commercial, and industrial customers to realize \$280 million in bill savings.
- Lifting the cap on energy efficiency spending for natural gas customers allows the utility to invest in all cost-effective natural gas efficiency and save customers tens of millions of dollars.

ENE recently quantified the profound economic impact that investments in efficiency have on local economies in its report, [\*Energy Efficiency: Engine of Economic Growth\*](#). ENE’s findings demonstrate that for every additional dollar invested in electric and gas energy efficiency customers will save \$4 and Rhode Island will see an approximate increase in gross state product of \$5 to \$6. These efficiency investments will also provide significant climate and air emissions benefits, helping the state achieve its new climate goals.

“Energy efficiency remains the most affordable, most immediately available, and most effective way to meet our energy needs and reduce greenhouse gas pollution in the energy sector,” said ENE Policy Analyst Abigail Anthony. “Rhode Island is now in position to achieve hundreds of millions of dollars in savings while making significant new progress in our fight against global warming.”

“With decoupled rates, utilities like National Grid can focus on saving customers money through efficiency without negatively affecting the company’s financial health,” said Anthony. “ENE applauds the leadership of

the General Assembly for recognizing decoupling as an essential tool for bringing cost-saving efficiency to Rhode Island's citizens.”

**Resources on ENE's Web site:**

*Energy Efficiency: Engine of Economic Growth*, Results for RI: <http://www.env-ne.org/resources/open/p/id/972>

ENE's RI Climate and Energy Web Page: <http://www.env-ne.org/projects/open/p/id/339/program/Energy>

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Environment Northeast (ENE) is a non-profit organization that researches and advocates innovative policies that tackle our environmental challenges while promoting sustainable economies. ENE is at the forefront of state and regional efforts to combat global warming with solutions that promote clean energy, clean air and healthy forests.

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