



June 25, 2021

Via e-mail: comentarios@jrsp.pr.gov

Sr. Edison Avilés Deliz, Chairman
Sr. Ángel R. Rivera de la Cruz, Associate Commissioner
Sra. Lillian Mateo Santos, Associate Commissioner
Sr. Ferdinand A. Soegaard
Sra. Sylvia B. Ugarte Arango, Associate Commissioner
Puerto Rico Energy Bureau

Re: Comments on Proposed Regulation
Case No.: NEPR-MI-2021-0005
Regulation for Energy Efficiency

Dear Members of the Puerto Rico Energy Bureau:

VEIC, an administrator and advisor for leading energy efficiency and renewable energy programs, appreciates the opportunity to comment on the Proposed Regulation for Energy Efficiency issued April 22, 2021, which outlines Puerto Rico's plans for meeting 30 percent of its energy needs with efficiency by 2040. As the least-cost resource available to support the island's energy needs,¹ energy efficiency is essential to achieving Puerto Rico's clean energy goals in a cost-effective, equitable, and resilient manner. The Puerto Rico Energy Transformation and RELIEF Act (Act 57-2014, as amended) and this Proposed Regulation present a crucial opportunity to create a successful framework for energy efficiency service delivery, with a pathway for meeting the 30 percent target.

VEIC's comments are informed by our deep experience as a third-party administrator of clean energy programs. Founded in 1986, VEIC is a nonprofit clean-energy organization with a mission to enhance the economic, environmental, and societal benefits of clean and efficient energy use for all people. VEIC employs nearly 300 professionals and has offices in Winooski, Vermont; Columbus, Ohio; the District of Columbia; Honolulu, Hawaii; and Madison, Wisconsin. VEIC has completed projects that have advanced energy efficiency, clean transportation, and renewable energy in 38 states, 6 Canadian provinces, and 7 countries in Europe and Asia.

¹ Public Service Regulatory Board, Puerto Rico Energy Bureau, 2020. *Puerto Rico Electric Power Authority's Integrated Resource Plan*, in Final Resolution and Order of August 24. Item 263, p. 68.
<https://energia.pr.gov/wp-content/uploads/sites/7/2020/08/AP20180001-IRP-Final-Resolution-and-Order.pdf>

VEIC is nationally recognized for its success in creating, managing, and delivering Efficiency Vermont, the first third-party-administered, statewide energy efficiency utility in the United States. Efficiency Vermont has won more than 50 national awards for excellence in program delivery since 2000. In addition, VEIC manages and implements two other comprehensive energy efficiency utilities: the District of Columbia Sustainability Energy Utility (DCSEU), which has significant low-income residential and workforce development performance targets; and Efficiency Smart, which serves 28 municipal electric utilities in Ohio and Delaware, organized through their joint action agency, American Municipal Power.

VEIC also operates a consulting division with clients from utilities, state and local governments, and foundations across the United States and Canada. In addition to program administration, our core competencies are energy policy and planning, energy efficiency program design, funding and financing, and measure characterization and cost-effectiveness screening. VEIC's nonprofit status is grounded in a deep commitment to serving and prioritizing clean-energy services for low-income people, disadvantaged communities, and underserved markets.

Our comments are specifically informed by VEIC's direct experience in rapidly standing up energy efficiency programs in the Midwest, Vermont, and Washington, DC. The DCSEU in particular has much in common with Puerto Rico's proposed approach, including a desire to use energy efficiency to strengthen the local economy, enhance social equity, and expand the local energy efficiency workforce. VEIC's comments incorporate its lessons learned on how best to set up a new energy efficiency program for success, at start-up and across the long term.

Energy Efficiency That Works for Puerto Rico's Unique Context

Overall, the Proposed Regulation provides a solid foundation for energy efficiency (EE) in Puerto Rico. Many elements of the Proposed Regulation reflect best practices in EE program planning and implementation. For example:

- **A requirement for meeting 30 percent of energy needs with efficiency, by 2040.** This involves achieving approximately 1.5 to 2 percent in energy savings per year (as a percentage of retail sales, depending on when program implementation starts and how quickly it ramps up). This level of savings is in the range of leading energy efficiency programs in states like Maryland, Massachusetts, Rhode Island, and Vermont.²

² Neme, Chris, Jim Grevatt, Rich Sedano, and Dave Farnsworth, 2016. "The Next Quantum Leap in Efficiency: 30% Savings in 10 Years." *Proceedings of the 2016 ACEEE Summer Study in Energy Efficiency in Buildings*. Washington, DC: American Council for an Energy-Efficient Economy: 9-1 – 9-14. https://www.aceee.org/files/proceedings/2016/data/papers/9_689.pdf

- **Industry-standard strategies for planning and evaluation**, involving a market baseline and potential studies, avoided-cost study, and the development of a Puerto Rico-specific cost-effectiveness test following National Standard Practice Manual³ guidelines.
- **A comprehensive portfolio** to serve all customer classes and “balance near-term and long-term resource acquisition...”.⁴

However, Puerto Rico faces several distinct challenges that are likely to make EE more difficult to deliver than in other parts of the United States. Based on its experience in EE planning and implementation, VEIC believes that Puerto Rico will need to pay close attention to tailoring the Proposed Regulation to local market conditions, including the following factors:

- **Energy access is a higher priority than energy conservation.** Given frequent power outages, residents and businesses are much more likely to prioritize having reliable access to electricity over EE services. They might perceive programs and messages that primarily encourage them to conserve energy as out of touch.
- **Lack of trust in the utility system.** Puerto Ricans have been dealing with an unreliable power grid for many years, particularly since hurricanes Irma and Maria in 2017. The recent transition in grid operation from PREPA to LUMA Energy introduces another source of uncertainty about service delivery. Given these recent challenges, some Puerto Ricans might be resistant to energy efficiency messaging coming from the utility.
- **Significant low-income population and high poverty rate.** At 43.5 percent in 2019, Puerto Rico’s poverty rate is more than three times the U.S. average. Low-income people and disadvantaged communities need targeted EE programs and strategies.
- **Nascent EE market.** Having never before had the opportunity to participate in opt-in EE programs, Puerto Rico residents and businesses have less experience with energy-efficient products and services than those in other U.S. states.

Because of these unique challenges, **it will not be sufficient to simply import an industry-standard EE planning and implementation framework.** Effective energy efficiency programs in Puerto Rico will require creative, community-driven strategies to build trust, support low-income households, improve energy access and reliability, create an EE workforce, and increase understanding of the value of EE among residents and businesses.

³ National Energy Screening Project, 2020. *National Standard Practice Manual for Benefit-Cost Analysis of Distributed Energy Resources*. <https://nationalefficiencyscreening.org/national-standard-practice-manual/>

⁴ Public Service Regulatory Board, Puerto Rico Energy Bureau, 2021. *Regulation for Energy Efficiency*. April 21: 15. <https://energia.pr.gov/wp-content/uploads/sites/7/2021/04/20210421-MI20210005-Resolution-and-EE-Proposed-rule.pdf>

Our comments address several areas where the Proposed Regulation could be enhanced to support these outcomes, and set up EE programs in Puerto Rico for near-term and long-term success. In the following sections, we respectfully offer comments on:

- Administration and funding
- Program timeline and start-up process
- Planning alignment
- Stakeholder engagement strategies
- Programs tailored to community needs and low-income customers

Administration and Funding

A consistent, long-term approach to EE is essential to give installers and vendors the confidence to build their businesses to accommodate EE services, invest in an EE workforce, and build Puerto Ricans' understanding of EE as a pillar of a clean-energy system. Many EE programs have failed because of boom-and-bust cycles that cause funding to run out suddenly, and during which vendors go out of business. The risk is even higher in Puerto Rico, where lack of trust in other features of the energy system could easily spread to EE if customers and businesses.

Two factors will be crucial to the long-term success of EE in Puerto Rico: a stable framework for program administration and a sustainable source of funding. In 2019, VEIC commented on a previous Proposed Regulation for EE (NEPR-MI-2019-0015), supporting the creation of a third-party administration (TPA) model for Puerto Rico's energy efficiency services. In contrast, Section 2.01 of this Proposed Regulation states that the Annual Cumulative Reduction in electric consumption "target may be achieved through multiple means and Contributing Entities"⁵ and identifies PREPA (or its successor entity) as the primary program administrator.

VEIC supports the Proposed Regulation's broad view of activity that can lead to energy savings, encompassing utility-led programs, government-led programs, and codes and standards. We also believe that both utilities and third parties can be successful administrators of EE programs and services, *if they are set up for success*. A Brattle Group examination of EE administrative models, which was commissioned to inform discussions on the EE framework in New Jersey, conducted a statistical regression analysis to determine whether a certain EE model (utility, state, or third-party administration) was more effective at delivering energy savings. The analysis found that

⁵ Public Service Energy Board, *Regulation for Energy Efficiency*, 2021: 12. Contributing Entities are PREPA-run or PREPA-facilitated EE programs, EE programs and actions in government buildings (facilitated by the Public Energy Policy Program [PEPP]), savings from adoption of and compliance with building energy codes and appliance standards, EE resulting from federal or Commonwealth government funds (for example, low-income weatherization, community development block grants, or disaster recovery funds), or other sources that the Energy Bureau might identify.

... none of the EE administrator models explain stronger EE performance in a statistically significant way, while other variables such as having an EERS goal, dedicated funds for EE programs and having regulatory incentive mechanisms such as full decoupling and performance incentive metrics, are all statistically significant and associated with stronger EE savings performance.⁶

To support the long-term success of EE programs in Puerto Rico, VEIC recommends that the EE program administrator should be an entity that will be able to serve in that role for the long term. With a 15-year contract to operate the island's electric grid, LUMA Energy, the successor to PREPA, appears to have the long-term stability necessary to be a successful program administrator for EE programs in Puerto Rico.⁷ As the EE program administrator, LUMA could also bring several strengths that could be harnessed to support Puerto Rico's clean-energy goals. Utilities have access to customer electricity use data, the ability to integrate delivery of EE and demand response (DR), and the ability to directly connect EE strategies to utility system needs and resource planning. For example, utilities are well-positioned to design non-wires alternatives that use EE and DR to address capacity or distribution system constraints.

Puerto Rico could consider other administrative models as an alternative to utility administration, if needed to ensure a stable, long-term framework for EE. For example, EE programs could be operated by a third-party administrator reporting to the Energy Bureau or housed within the yet-to-be-created Green Energy Trust, a green bank authorized under Law 17-2019. A third-party or green bank EE administrator might be better equipped than the utility to "seek revenue sources that can offset ratepayer funding for EE program" such as grants and Federal funds [Proposed Regulation, Section 3.05, Energy Efficiency Budget, D): 22] and "establish a revolving loan fund" to support customer financing options. [Section 3.06, Energy Efficiency Financing, C) 1): 22.]

Regardless of the program administrator, the other factor crucial to the long-term success of EE programs is a sustainable source of funding. Successful EE programs have a stable mechanism in place to collect funds from ratepayers, either via a system benefits charge or through the utility rate base. Less commonly, EE programs are funded by other relatively predictable revenue sources such as greenhouse gas cap-and-trade revenues. The Proposed Regulation appears to authorize cost recovery for EE in Section 3.05 C), which states that "the Energy Bureau's decision regarding the Three-Year EE Plan shall serve as approval for the recovery for the net cost of the approved EE programs (including EM&V and other studies) through PREPA's rates for transmission and

⁶ The Brattle Group, 2019. "Energy Efficiency Administrator Models: Relative Strengths and Impact on Energy Efficiency Program Success," press release. November 18. <https://www.brattle.com/news-and-knowledge/news/report-by-brattle-economists-evaluates-effectiveness-of-energy-efficiency-administrator-models>

⁷ Throughout these comments, we refer to LUMA, rather than PREPA, as the utility administrator.

distribution service.” VEIC strongly supports this cost recovery mechanism as a predictable, long-term source of funding for EE in Puerto Rico.

Although many EE programs seek outside funding, as discussed in sections 3.05 and 3.06 of the Proposed Regulation, such funds normally supplement, rather than supplant, a stable funding source. VEIC cautions against an overreliance on external funding sources that could be highly variable over time. Examples of such sources are federal disaster recovery and COVID relief funds. VEIC believes that these funding sources should be used to increase the scale of EE programs, rather than replace core ratepayer funding for EE.

Program Timeline and Start-up Process

The Proposed Regulation’s Section 3.04 offers the concept of quick-start pilots or programs. However, the schedule shows that they can be proposed only prior to the filing of the first Three-Year EE plan. Given the timeline, that means quick-start programs could be proposed only prior to December 1, 2021.

VEIC supports the inclusion of quick-start programs and pilots, but suggests modifying the program timeline and start-up process to **frame the first two years of implementation (from July 1, 2022 to June 30, 2024) as a Quick-Start Period**. Puerto Rico will be starting EE and DR programs from scratch—and in the context of an electricity system in transition and still rebuilding from hurricanes Maria and Irma. A longer start-up period will be necessary to allow the program administrator sufficient time to investigate EE opportunities in different markets in Puerto Rico and engage local partners and vendors who can support implementation. The purpose of the two-year Quick-Start Period would be to expedite delivery of key EE services to provide immediate system benefits—such as improved grid reliability and lower system costs—while gaining relevant insights and building relationships to support long-term planning and market readiness for energy efficiency. During this period, the program administrator should therefore not have binding energy savings targets and should not be subject to performance incentives or penalties.

As proposed, the program administrator would need to submit its draft plan by September 1, 2021, and final plan by December 1, 2021. This is well before the completion of all the studies needed to inform EE targets and program designs (notably, the market baseline and potential studies and avoided-cost study). The scheduled deadline for the final plan also comes prior to the administrator’s ability to determine the share of the EE savings target that should be assigned to each Contributing Entity. In the absence of this information, it is not realistic to expect the program administrator to submit a responsible, comprehensive plan so quickly. However, even without a market study, it is clear that Puerto Rico has plenty of EE potential, given energy-efficient technologies like LEDs are not yet widely adopted. Therefore, VEIC supports allowing the program administrator to offer quick-start programs that can create immediate value for Puerto Rico’s people and energy system.

The fast timeline proposed for the initial plan also presents a challenge for stakeholder and partner engagement. Meaningful stakeholder engagement will take time, but is essential to building trust and durable support for EE programs in Puerto Rico. The program administrator will need to build relationships with local partners and vendors who are in a position to support implementation—or to be adequately trained to support implementation. **Establishing a two-year Quick-Start Period from 2022-2024 would improve outcomes for Puerto Rico residents, who will benefit from the launch of programs that are community-centered, thoughtfully designed, and supported with appropriate information-sharing, outreach, and engagement strategies.**

With the initial implementation period reframed as a Quick-Start Period, the EE planning and implementation process and timeline could be adjusted as follows:

- **Engage stakeholders and draft Quick-Start EE Plan (by December 1, 2021):** LUMA should present its draft Quick-Start EE Plan to an open meeting of interested stakeholders and members of the public no later than 90 days before the filing deadline, and make the document publicly available.
- **Final Quick-Start EE Plan (by March 1, 2022):** LUMA should file its Quick-Start EE Plan with the Energy Bureau on March 1, 2022. The plan should summarize the proposed Quick-Start programs and pilots, include non-binding estimates of energy savings and program participation, and document other planned market readiness activities (such as partner and trade ally engagement and customer education) that will occur during the Quick-Start Period.
- **Establishment of a stakeholder collaborative (by March 1, 2022):** No later than 90 days of final publishing of the EE rule, the Energy Bureau should establish a stakeholder collaborative comprising designated representatives of the groups listed in Section 3.02 E) 2) of the Proposed Regulation, supported by an expert consultant. (See *Stakeholder Engagement* section below for more details on this recommendation.)
- **Implementation of Quick-Start EE Programs (July 1, 2022-June 30, 2024):** During this implementation period for Quick-Start programs and pilots, the program administrator should not be subject to binding targets or at-risk compensation for performance. Quick-Start programs will be assessed for cost-effectiveness using the Utility Cost Test.
- **Market baseline and potential studies (January 1, 2022-June 30, 2023):** Within four (4) months after the effective date of this Regulation, and triennially as needed, the Energy Bureau should contract with expert consultants to conduct a market baseline and potential studies. The potential study should estimate the energy savings contributions that can be achieved through all Contributing Entities. For each Contributing Entity, the potential study should estimate both the cost-effective potential for energy efficiency in Puerto Rico and the achievable potential based on the level of available funding.
- **Avoided cost study (January 1, 2022-June 30, 2022):** Within four (4) months of the effective date of this Regulation, the Energy Bureau or its consultants should begin a study or

other analysis to derive avoided-cost estimates to be used for assessing the cost effectiveness of PREPA's energy efficiency and demand response programs.

- **Development of a Puerto Rico Test (March 1, 2022-December 31, 2022):** The Energy Bureau should initiate a proceeding to define the Puerto Rico Test for screening EE measures within six (6) months of the effective date of this Regulation.
- **Annual savings targets (by October 1, 2023):** The Energy Bureau should use the results of the market studies to determine annual savings expectations for LUMA's efficiency programs and the actions of other Contributing Entities for each Program Year between 2024 and 2040. The long-term forecasting of targets should conform to the Proposed Regulation's statement that they "shall be based on (1) a reasonable ramp-up in annual EE savings toward meeting the 2040 energy efficiency savings target, (2) program capacity and available funding and financing, and (3) the estimated EE savings that can be obtained from actions listed in (B)(2)-(6) of Section 2.01." (Section 2.03, Targets for Initial Three-Year Plan: 13.)
- **Draft Three-Year EE Plan (by December 1, 2023):** LUMA should present its draft Three-Year EE Plan to the stakeholder collaborative for feedback. LUMA should also hold an open meeting of interested stakeholders and members of the public no later than 90 days before the filing deadline, and make the draft document publicly available.
- **Final Three-Year EE Plan (by March 1, 2024):** LUMA should file triennially thereafter on March 1 (beginning March 1, 2024), or according to another timeframe deemed by the Energy Bureau to be in the public interest.
- **First EE program implementation period (July 1, 2024-June 30, 2027):** LUMA should launch comprehensive energy efficiency programs, informed by the market baseline and potential studies and designed to meet the savings targets established by the Energy Bureau. Programs and their measures will be assessed for cost effectiveness using the Puerto Rico Test. During this period and thereafter, the program administrator may be subject to at-risk compensation, such as performance incentives and penalties.

Planning Alignment

VEIC suggests several steps to streamline the planning process and support program alignment. First, the Energy Bureau should issue one solicitation for the market baseline and potential studies and select a single consultant to conduct both. Having separate vendors for the two studies would slow down the process by necessitating two solicitations. It would also create a risk that the potential study findings would not align with the market baseline study findings. A single vendor will be able to complete the studies more quickly, and ensure that the potential study results are grounded in the solid understanding of the current market baseline.

Second, the consultant that completes those studies should also recommend savings targets. New Jersey's recent EE potential study successfully used this practice. It ensures that the savings targets align with the assessment of achievable market potential, and will streamline the planning process by giving the Energy Bureau an initial, well-informed framework to build from. When setting savings

targets, it is important that the assessment of achievable EE potential account for the level of funding that is actually available, while also describing and accounting for the nascent state of market development in Puerto Rico.

Third, VEIC strongly recommends aligning the planning and implementation cycles for EE and DR. Many relevant EE measures for Puerto Rico—such as smart thermostats and heat pump water heaters—can be controlled to support load shifting. Aligning EE and DR planning and implementation will create administrative efficiencies for LUMA, encourage program designs that combine and optimize delivery of both EE and DR, and support development of non-wires alternatives involving both EE and DR strategies. To further support alignment, VEIC suggests that the market baseline and potential studies encompass both EE and DR.

Stakeholder Engagement

VEIC recommends that the Proposed Regulation contain a solid strategy for effective stakeholder engagement in EE planning and implementation. The Proposed Regulation makes stakeholder engagement a responsibility of LUMA, and requires that LUMA solicit feedback from stakeholders no later than 90 days before the Final EE Plan is filed. It also requires LUMA to “work collaboratively with stakeholders to reflect stakeholder input in program design and planning. This shall involve at a minimum the facilitation of a stakeholder working group that meets no less than quarterly each Program Year.” (Section 3.07, Engage with Stakeholders: 24.)

Stakeholder engagement will be particularly important in Puerto Rico, which needs to build local capacity and knowledge around energy efficiency, and to gradually earn trust and buy-in for the energy efficiency programs. Massachusetts and Rhode Island, states with leading utility-administered EE programs, have structures in place to meaningfully involve stakeholders in planning and oversight of energy efficiency. In these states, stakeholders are not only consulted on EE plans; stakeholder bodies actually have formal responsibilities ranging from target-setting to program oversight.

VEIC recommends reviewing the stakeholder advisory models in Massachusetts and Rhode Island to inform the approach in Puerto Rico. In Massachusetts, the Energy Efficiency Advisory Council (EEAC) provides regular and consistent oversight and guidance to the energy efficiency programs delivered by multiple utilities and program administrators. In Rhode Island, the Energy Efficiency Resource Management Council (EERMC) oversees the programs administered by the state’s primary utility, National Grid. The EEAC and EERMC contribute to program planning at every stage and report their results annually to their respective regulatory commissions and legislatures. The Rhode Island EERMC has an annual budget of approximately \$780,000, accounting for 0.68 percent of total annual efficiency program spending.

As a best practice, we suggest that the Energy Bureau **establish an independent stakeholder collaborative to guide and oversee the EE and DR programs.** The stakeholder body should involve formal representation from low-income customers, small businesses, and organized labor, at

a minimum. The list of stakeholders identified in the Proposed Regulation's Section 3.02 E) 2) is a good starting point for the collaborative. The stakeholder collaborative should be supported by an expert consultant to advise and facilitate its activity, and build the members' knowledge on EE and DR topics. This work could be paid for with a small percentage of the overall program funding.

Programs Tailored to Community Needs and Low-Income Customers

The Proposed Regulation specifies that EE programs should "promote customer equity" and "ensure that low-income and hard-to-reach customers are marketed and served" (Section 3.02). It further requires that "the budget allocated for programs for the low-income customer sector shall comprise no less than 15 percent of the total portfolio budget" (Section 3.05). VEIC supports these provisions and believes they should be strengthened.

As previously noted, Puerto Rico's poverty rate is 43.5 percent, more than three times the U.S. average. Equitably serving these low-income customers and communities will likely require much more than 15 percent of the total portfolio budget. **VEIC recommends increasing the spending requirement on low-income customers to at least 30 percent, given the profound need.** VEIC agrees with the Proposed Regulation that low-income programs should be exempted from a requirement to pass the cost-effectiveness screening test. We also suggest allowing innovative ways to identify and serve low-income communities. This might involve qualifying whole disadvantaged communities (not just individual households) for enhanced services, basing inclusion decisions on Census tract data or the Social Vulnerability Index.⁸ Community service nonprofits and other organizations serving low-income populations could also be targeted for EE and counted towards low-income EE goals. For example, Efficiency Vermont has helped food banks improve refrigeration systems so that they can store more food at a lower cost and thus reduce their utility bills. This frees up more of their annual budgets so that they can directly help more of the people they serve.

Further, **Puerto Rico's EE programs should be designed and delivered with a community-centered strategy.** This will support local priorities, maximize opportunities for workforce development and capacity-building, and enhance local economic development. We therefore recommend that Section 3.02 require the program administrator to propose strategies for partnering community-based organizations and small businesses on EE outreach and implementation. The program administrator can do this not only by engaging these groups during the planning process, but also by channeling a significant percentage of program funding through these organizations. For example, the DC Sustainable Energy Utility is required to spend at least 35 percent of its budget on services provided by Certified Business Enterprises based in the District of Columbia. The Proposed Regulation could incorporate a similar minimum spending requirement and require the program administrator to report on its progress in working with community-based organizations and small

⁸ Agency for Toxic Substances and Disease Registry, n.d. CDC / ATSDR Social Vulnerability Index. Atlanta, GA: The Centers for Disease Control and Prevention.
<https://www.atsdr.cdc.gov/placeandhealth/svi/index.html>

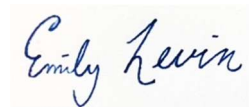
businesses in its annual reporting. The Regulation could also establish geographic equity requirements, to ensure that EE spending is broadly equitable across communities and regions in proportion to population.

Finally, VEIC supports the comprehensive approach to financing laid out in Section 3.06 of the Proposed Regulation, and agrees that financing is an important tool to help customers afford EE investments. In particular, VEIC believes that tariffed on-bill financing, also known as inclusive financing, can be a valuable tool for expanding access to financing to low-income customers and small businesses. These ratepayers might not otherwise qualify for conventional, unsecured loans.

However, VEIC cautions that **financing alone is not a silver bullet**, and is most effective when coupled with other strategies such as incentives, rebates, direct installation of measures, technical assistance, and education. Further, financing administration may not be a low-cost budget item. EE program administrators often fund interest rate buy-downs and loan loss reserves to make financing terms more attractive to customers, but that takes funding. Effectively serving Puerto Rico's population, especially given the proportion of low-income customers and communities, will take significant and sustained investment of resources.

VEIC appreciates the opportunity to comment on this important regulation, and looks forward to providing further information, if requested by the Energy Bureau. We are very enthusiastic about supporting Puerto Rico's energy efficiency future.

Sincerely yours,

A handwritten signature in blue ink that reads "Emily Levin". The signature is written in a cursive style and is set against a light beige rectangular background.

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