



Testimony to the Senate Committee on Energy and Environment

Support for SB 1588 - Inclusive Utility Investment

February 9, 2026

Chair Sollman, Vice-Chair Brock Smith, and members of the committee,

My name is Dr. Pat DeLaquil. I am an energy system modeler and climate policy analyst, and I am submitting these comments on behalf of MCAT (Mobilizing Climate Action Together), a community of volunteers working on advancing a healthy climate and a green economy for future generations.

MCAT is supporting SB 1588 because we believe it is part the necessary transition to a more a decentralized electricity system, similar to the decentralization transitions that swept the telecommunication sector and allowed the birth of the internet.

The existing central-station utility paradigm is at a breaking point because its size is driven by peak loads, which are minimally managed. Much has been discussed regarding the difficulties of meeting new load growth from data centers and electrification of transportation and buildings. Rather than follow that investment heavy and delay prone process, our near-term focus should shift to making greater use of the existing electric grid infrastructure that we already have in place. Current utilizations is only about 40%, which means that we currently only use the system at full capacity during the hottest days in the summer.

SB 1588 will create a pilot program allowing Investor-Owned Utilities to provide funds for energy efficiency and strategic electrification without additional burden to the General Fund or ratepayers. This bill will help overcome the investment cost barrier to unlock savings and help households generate benefits to the overall electric system, including reduced energy demands, peak load reductions, grid supports, and system resilience.

SB 1588 will help bridge the gap created by the elimination of Federal tax credits and support programs and the lack of state resources for programs like the Community Heat Pump Deployment Program. The bill will enable utility customers to get an affordable home upgrade, funded by the Utility Company, and conveniently paid back through their monthly utility bill. The utility works with the customer to determine eligibility and project scope and determines a payback plan that provides monthly savings for the customer. The utility (and all utility customers) save money through reduced peak energy consumption, more distributed & flexible energy on the grid, and the avoided costs of expensive grid upgrades.



Inclusive utility investment programs have been successfully implemented in several states, including North Carolina (Duke Energy), Missouri and Kansas. California (SoCalEdison) and Illinois (ComEd and Ameren) are currently developing their pilot programs and several other states, like Oregon, are considering pilots.

MCAT urges this committee to support SB 1588. The bill is an important step towards transitioning our electricity system into a smart, safe and distributed network that gets more use out of our existing infrastructure, employs low cost replicable, consumer-based systems to manage supply and demand, and minimizes systems peaks to improve both resiliency and reliability. The bill will enable investment and help accelerate this transition because it offers the lowest cost solution to growing our electricity supply while maintaining affordability.

Sincerely,

Dr. Pat DeAquil
on behalf of MCAT Steering Committee