HB-7086 PUC Amendment



STATE OF RHODE ISLAND

Public Utilities Commission

89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500 Chairman Ronald T. Gerwatowski Commissioner Abigail Anthony Commissioner John C. Revens, Jr.

April 2, 2024

The Honorable Joseph J. Solomon, Jr. Chair, House Corporations Committee State House Providence, RI 02903

Re: House Bill 7086 - An Act Related to Agriculture and Forestry - Tree Wardens

Dear Chair Solomon:

The Public Utilities Commission (PUC) submits these comments on House Bill 7086, which, among other things, would add a new section to Title 39 related to vegetation management. The PUC recognizes the importance of tree management to electric utilities. This bill would require Rhode Island Energy to file a vegetation management specifications and practices plan (Plan) for review and approval by the Division of Public Utilities and Carriers. The bill allows for recovery of reasonable costs associated with the Division filing and through the Infrastructure, Safety, and Reliability Plan budget and rate recovery.

Last year, the PUC expressed concern that one could try to interpret Division approval of Rhode Island Energy's Standards & Practices and as pre-approval of vegetation management spending plan (reviewed separately as part of the Infrastructure Safety and Reliability Plan). While the PUC appreciates new language to address the concerns, we noticed some drafting errors and awkward sentence structure in the section (page 6, line 30 through page 7, line 3). I have worked with Rhode Energy and the Division of Public Utilities and Carriers to develop the attached proposed consensus language for consideration. It affects only the cost recovery issues raised here and not the policies being considered by the bill.

Please feel free to contact me with any questions at 401-780-2147 or cynthia.wilsonfrias@puc.ri.gov.

Sincerely,

Cynthia G. Wilson-Frias Chief of Legal Services

cc: Speaker Pro Tempore Kennedy

HB 7086 - AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS -- VEGETATION MANAGEMENT FOR ELECTRIC SYSTEM RELIABILITY

The following represents consensus language of the Public Utilities Commission, Division of Public Utilities Commission, and Rhode Island Energy

Page 6, line 30 through page 7, line 3.

Black is current proposed language (currently all new blue and underlined in bill). Red and blue, below are proposed changes.

(g) Pursuant to the requirements of § 39-1-27.7.1, the electric distribution company shall be permitted to seek recovery of all reasonable costs incurred under this section, inclusive of those reasonable costs incurred by the division. [MISSING WORD] The division is authorized to assess the electric distribution company reasonable costs purchase materials and to employ on a contract or other basis any utility and/or vegetation management experts, including, but not limited to, certified arborists, foresters and horticulturalists. The electric distribution company shall be entitled to recovery of those assessed costs through its annual infrastructure, safety, and reliability spending plan, or such other rate recovery mechanism the commission deems appropriate. Nothing in this section shall be construed to derogate from the statutory authority of the commission to establish budget limits and to set just and reasonable rates or the division from advocating a position in commission proceedings, including annual filings made under 39-1-27.7.1 for implementation of vegetation management and the associated budget that is different from that which is filed by the electric distribution company. The commission may consider the reasonableness of the pace of expenditures from year to year and the bill impacts resulting from the proposals for cost recovery.