



CLF Rhode Island 235 Promenade Street
Suite 560, Mailbox 28
Providence, RI 02908
P: 401.351.1102
F: 401.351.1130
www.clf.org

Via Electronic Mail

April 2, 2024

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

RE: CLF **Supports** House Bill No. 7286 – Percentage of Income Payment Plan

Dear Chair Solomon:

Thank you for the opportunity to provide testimony on House Bill No. 7286, which would create a Percentage of Income Payment Plan (“PIPP”) for Rhode Island utility consumers. Conservation Law Foundation (“CLF”) supports this bill and wishes to thank its sponsors for their attention to this important issue.

CLF is a member-supported non-profit environmental advocacy organization working throughout New England to counter climate change, restore the health of our oceans, embolden new energy infrastructure, and safeguard health, quality of life, and economic prosperity for future generations. We are working to cut emissions from the electricity and heating sectors, and to push for affordable and equitable energy policies in Rhode Island and across New England.

As the United States Supreme Court has noted, “[u]tility service is a necessity of modern life; indeed, the discontinuance of water or heating for even short periods of time may threaten health and safety.” *Memphis Light, Gas & Water Div. v. Craft*, 436 U.S. 1, 18 (1978). It is therefore critical to ensure that all Rhode Island households have reliable access to and can afford the energy needed to keep their homes and neighborhoods safe and healthy. Despite the enormous importance of access to heat and light, utility service is not affordable and accessible to all. This is a particular problem in low-income households, communities of color, and those in many rural areas and small towns.¹

Rhode Island’s utility rates are among the highest in the nation, and many Rhode Islanders struggle to pay their utility bills from month to month. While Rhode Island households spend an average of 8% of their income on utilities, low-income families spend 41% on average. For some Rhode Islanders, these rates are simply unaffordable, leading to utility debt and potentially to

¹ See Nancy L. Seidman et al., *Energy Infrastructure: Sources of Inequities and Policy Solutions for Improving Community Health and Wellbeing* (2020), available at <https://www.synapse-energy.com/sites/default/files/Equity-in-Energy-Report-19-037-0.pdf>.

utility shutoffs. Losing utility service can pose health and safety risks, and also negatively impact other areas of life. For instance, lack of utility service can have negative impacts on education outcomes for children. Ensuring that Rhode Islanders have access to affordable utility service will thus decrease state healthcare and education costs.

H-7286 presents a solution to the problem of lack of access to affordable utility service—the creation of a PIPP for low-income utility consumers. Under a PIPP, low-income households pay a fixed percentage of their income for utility bills. This percentage depends on the income of that household—those with the lowest income pay the smallest percentage of their income for utility bills. Recognizing that utility service is a basic need and an essential element of adequate housing, PIPP programs help to ensure that all have access to affordable utility service.

Addressing the problem of high cost burdens for low-income utility consumers is especially important as we transition to clean, renewable energy and work to achieve the mandates of the Act on Climate. PIPP would allow us to make a just transition during our shift towards green energy. In order to assure that our transition to renewables doesn't increase utility cost burdens on people of color and low-income households who already pay more than their share, we should implement a PIPP in Rhode Island as soon as possible.

The time has come to take meaningful action to ease the high cost burden borne by low-income utility consumers, and to address the health, safety, and other risks posed by lack of access to utility service. CLF therefore respectfully urges passage of H-7286.

Thank you for your time and consideration of these comments.

Sincerely,



James Crowley
Staff Attorney, CLF Rhode Island

cc: Members of the House Committee on Corporations
Representative Scott Slater
Representative David Morales
Representative Jennifer Stewart
Representative Grace Diaz
Representative Karen Alzate
Representative Cherie Cruz
Darrèll Brown, Vice President, Rhode Island, Conservation Law Foundation