



## STATE OF RHODE ISLAND

### DIVISION OF PUBLIC UTILITIES & CARRIERS

Administration  
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March 20, 2025

The Honorable Joseph J. Solomon, Jr.  
Chairman – House Committee Corporations  
State House  
Providence, R.I. 02903

### Re: **H 5245 – Percentage of Income Payment Plan**

Dear Chairman Solomon:

The Division of Public Utilities and Carriers (Division) endeavors to assist ratepayers to manage their utility bills and has been a committed supporter of discount programs for income eligible households. Although the Division appreciates the intent of House Bill No. 5245, we must alert the Committee to unintended impacts to income eligible ratepayer programs that would arise from a Percentage of Income Payment Plan (PIPP), particularly in advance of an anticipated Rhode Island Energy (RIE) rate case filing later this year.

Today, the established income eligible discount program already incorporates central aspects of the proposed legislation, such as a tiered reduction in monthly bills, based on income. For example, current income eligible households who qualify for LIHEAP or other assistance programs receive a 25% monthly bill discount. Importantly, this discount rises to 30% for households that qualify for Medicaid. Each of these discounts are then further supplemented by state programs such as Arrearage Forgiveness, LIHEAP Enhancement and weatherization assistance; the federal LIHEAP program; and utility offerings including budget billing. As the Committee can see, there are multiple, interconnected assistance programs that must be carefully balanced so that we can ensure the broadest and most effective benefit to our income-eligible ratepayers.

As a result, the Division urges that any adjustment of income eligible discounts and billing procedures should be taken up holistically, that is, accounting for all other existing forms of assistance. The Division is deeply concerned by the risk that a single, direct legislative PIPP action could neglect or unintentionally remove the applicability of the above-described supplemental assistance programs.

Additionally, the net ratepayer cost impact when the PIPP goes into effect is an important factor to consider. The Division is also mindful that there are many economically vulnerable households just beyond the eligibility provisions of this bill, and as such, those cost consideration changes take on added importance.

In sum, the Division shares your commitment to support income eligible programs, but strongly encourages this critical balance to be properly addressed before the Public Utilities Commission in the comprehensive administrative process where the Division is an indispensable party to the proceedings. Lastly, we note that RIE's parent corporation has recently established a PIPP in Pennsylvania, and it is quite possible that a similar program may already be proposed in the anticipated general rate case later this year.

Sincerely,

A handwritten signature in cursive script that reads "Linda George". The signature is written in dark ink and is positioned below the word "Sincerely,".

Linda George, Esq.  
Administrator, RI Division of Public Utilities and Carriers

CC: The Honorable Representative Scott Slater  
The Honorable Members of the House Committee on Corporations  
Nicole McCarty, Esq., Chief Legal Counsel