

Testimony in Support of HJR-5161 & HB-5245 – Public Utilities

House Committee on Corporations

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Megan Gilbert, Master of Social Work Intern, Economic Progress Institute

The Economic Progress Institute strongly supports Rep. Cotter's HJR-5161 and Rep. Slater's HB-5245, which aim to explore and implement solutions to lower energy costs for Rhode Islanders.

Rep. Cotter's HJR-5161 creates a special joint legislative study commission to study public ownership of certain public utilities, including electricity and natural gas. Rep. Slater's HB-5245 proposes an income-sensitive tiered subsidy program to ensure that home energy utility costs are affordable for eligible low-income households.

As a social caseworker for over 20 years serving the RI community, and as a resident of RI for almost 50 years, I have witnessed the financial impact of energy price increases on our low-income community members who sometimes need to choose between feeling warm and comfortable and being able to afford other necessities like nutritious food. Data shows that many Rhode Island households do not earn enough to meet their basic needs, including the cost of energy. This also disproportionately affects Black and Latino families (RISN, 2025).

Energy Costs in Rhode Island (2025)

Monthly Electricity Bill: The average monthly electricity bill for residents is around **\$243**, totaling about **\$2,916** per year (Rhode Island Public Utilities Commission, 2025).

Average Electricity Rate: In 2025, the average residential electricity rate in Rhode Island is approximately **29 cents** per kilowatt-hour (kWh). The US average price as of November 2024 is **17 cents** per kilowatt-hour (US Energy Information Administration, 2025). Rhode Island's rates are nearly double the national average and continue to increase over **9%** each year statewide, making it more critical than ever to discuss solutions (Rhode Island Public Utilities Commission, 2025).

Vulnerable populations, such as the elderly, low-income families, and those with chronic illnesses, often need low-priced energy for several critical reasons:

1. **Financial Stability:** High energy costs can consume a significant portion of a household's budget, leaving less money for other essentials like food, medication, and healthcare. Affordable energy helps alleviate this financial burden, allowing families to allocate resources to other critical needs.

2. **Health and Well-being:** Access to affordable energy contributes to overall health and well-being by enabling proper lighting, refrigeration for medications, and the ability to cook nutritious meals. These factors are essential for maintaining a healthy lifestyle.
3. **Medical Equipment:** In my time as a caseworker, I have worked with many individuals who rely on medical equipment that requires electricity, such as oxygen concentrators, CPAP machines, ventilators, and dialysis machines. Exploring affordable energy solutions can help ensure these devices can operate continuously without causing financial strain on individuals that need them (Mango & Adamsson, 2025).
4. **Temperature Regulation:** Maintaining a stable indoor temperature has been linked to better health outcomes for vulnerable populations (Telfar Barnard, Howden-Chapman, Clarke, & Ludolph, 2018). Extreme heat or cold can exacerbate health conditions, leading to heat stroke or hypothermia. Low-cost energy allows for the use of heating and cooling systems to keep homes safe and comfortable.

Broader Impacts:

1. **Inflationary Pressures:** Rising energy costs contribute to inflation by increasing the cost of production and transportation for goods and services (The Tennessean, 2025). This can lead to higher prices for a wide range of products, affecting the overall cost of living.
2. **Impact on Local Businesses:** Businesses also feel the pinch of high energy costs. Increased operational expenses can lead to higher prices for consumers, reduced profit margins, and in some cases, layoffs or reduced investment in growth and innovation (Brown & Sovacool, 2020).
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Nebraska currently has a 100% publicly owned utility - creating lower energy costs for residents by eliminating the profit motive and focusing on community needs (Nebraska City Utilities, 2025). Further research from experts and stakeholders can advise on whether this path would be cost effective for Rhode Islanders. In the meantime, enhancing our energy assistance program can help offset high energy costs to low-income individuals as they have done in California and New York (Rubin, Freed, & Aggarwal, 2023).

Representative Cotter's **HJR-5161** and Representative Slater's **HB-5245** would help explore innovative ways for Rhode Islanders to produce and manage energy distribution and develop a payment system for low-income earners to ensure utilities are affordable. The Economic Progress Institute urges the passage of both.

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