



For a thriving New England

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Via Electronic Mail

March 20, 2025

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

Re: CLF **Supports** House Bill 5818 – Prohibition on Utility Spending

Dear Chair Solomon:

Thank you for the opportunity to provide testimony on House Bill 5818 – Prohibitions on Utility Spending. CLF **supports** this proposal and believes that it provides necessary guidance to the Public Utilities Commission (“PUC”) and our state’s utility companies concerning the proper use of ratepayer money.

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 active participants in many PUC dockets reviewing utility proposals, primarily to ensure that these efforts are aligned with our state’s climate policies. As a party to these proceedings, we often have a front-row seat to debates on which expenditures are properly charged to ratepayers and which must be paid for by non-customer funds.

While Rhode Island’s primary electric and gas utility, Rhode Island Energy, has access to non-ratepayer funds, it is able to use ratepayer recovery for goods or services that are necessary for its operations. H-5818 would not prohibit the utility from using ratepayer money to pay for expenditures that benefit ratepayers. However, ratepayers are not a bottomless piggy bank—they should not be expected to cover costs like shareholder travel and benefits or expenditures to support the political viewpoints of the utility and its executives.

There simply needs to be a clear line between these two kinds of costs so that Rhode Islanders can trust that we are getting what we pay for and are not paying extra for things we do not need. In a free market, a customer can choose who to do business with and make their own judgements as to what private companies to support. For example, if we do not support the political actions of Elon Musk, we can simply choose not to buy a Tesla and support his business. That is our right as a customer and citizen of this country. However, when it comes to our utilities, we do not have such a right. The state government has given Rhode Island Energy a legal monopoly,

and while we could theoretically choose to leave the grid entirely, we cannot choose a different company to run a wire to a home. For that reason, we need to trust that our lack of consumer choice does not open us up to having our rates pay for things we do not need, or to lobby for political viewpoints we do not share.

Given that we don't get to choose where we buy our utility services, Rhode Islanders have to be able to trust that our elected officials and appointed regulators will protect us. This proposal will establish some clear guidance so that ratepayers can trust that our dollars are being used for our benefit.

CLF urges passage of H-5818. Thank you for your time and consideration of this testimony.

Respectfully submitted,



Jamie Rhodes
Senior Attorney
Conservation Law Foundation

cc: Members of the House Committee on Corporations
The Honorable Art Handy
Darrèll Brown, Vice President, Rhode Island, Conservation Law Foundation