

Testimony in support of HR5834: Identify Issues Related to Electric Rates and Potential Rate Reform Strategies

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To Chair Solomon and the honorable Members of the House Corporations Committee:

Utility reform in Rhode Island is urgently necessary.

Currently, the Utility is not incentivized to rapidly and effectively support the transition from fossil-based to renewable energy, partly because of their business model, and partly because the incentive structures and priorities in the statutes that govern the Utility have not been adjusted to facilitate the rapid greenhouse gas emission reductions mandated by the RI Act on Climate.

Historically—and currently—, the Utility takes little, if any effective action to embrace and use smart state-of-the-art and often relatively low-cost technologies to

- better utilize the current grid, including conversion to better conductor materials,
- plan for and implement local and micro-grids,
- allow for virtual power plants and distributed energy resources with peak-based rate designs.

All of these would lead to lower rates, support and accelerate renewable electricity, reduce carbon burning, improve efficiency and increase resilience during power outages. Other states are far ahead with implementing and using these technologies!

The DPUC and PUC that regulate the Utility often don't seem to sufficiently stand up for the rate payers and seem to be rather influenced by the arguments that the Utility and their lawyers and lobbyists present—admittedly, it's tough to hold your position against a counterpart who has immense financial and other resources. It needed intervention by the Attorney General to reach a \$ 200 million settlement during the transition from National Grid to RI Energy—the Utility Commissions, on their own, would have missed that opportunity.

And lastly, there is insufficient opportunity for intervention and public engagement in the DPUC's and PUC's hearings and proceedings, with some interpretation by the ratepayers that they are powerless and left out, while the commissions negotiate with the Utility— with results that not always turn out to be in the ratepayers interest.

Fortunately, a number of bills have been introduced into this year's legislature that can drive Utility reform in many of its aspects, and I support these bills.

In particular, I support HR5834, because it will allow to identify issues related to current electric rate structure and potential rate reform strategies to ensure electric rates are not a consistent obstacle to Rhodelsland's decarbonization goals.

We don't have much time for reform: 2033 with the goal for 100% of Rhode Island's electricity coming from clean, renewable generation is approaching fast. Considering the long lead times for implementing the necessary changes, we have to act now!

Please bring the bill to a vote in 2025.

Thank you very much for considering my input, and thank you to Representative Handy for introducing this important bill.



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