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STATE OF RHODE ISLAND

Public Utilities Commission

Chairman Ronald T. Gerwatowski
Commissioner Abigail Anthony

March 20, 2025

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

Re: House Bill 5834 – Study of Electric Rates for Electric Vehicles and Heat

Dear Chair Solomon:

I am submitting the following comments on behalf of the Public Utilities Commission (PUC) on House Bill 5834, a resolution requesting the PUC, Office of Energy Resources, and Department of Environmental Management to study electric rates, specifically considering “rates that accommodate building and transportation electrification, and new loads, and minimize or mitigate impact on ratepayers, especially low- and moderate-income ratepayers.” The report would be due by September 1, 2025. The PUC has the following concerns about the resolution.

New electric rate structures will certainly be needed as the electric distribution system changes, and these rate structures are typically addressed in a distribution rate case.¹ In this instance, however, the agencies are being asked to study rates for just two specific types of equipment and “rates that accommodate new load.” Customers add new load all the time. For example, even without special rates, customers install hot water heaters, air conditioning, electric kitchen equipment, etc.

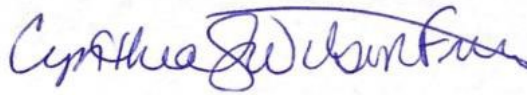
The PUC posits that rates, such as time-varying rates that will be possible with the new meter technology Rhode Island Energy is installing, should be designed in a way that is neutral to technology and equipment, allowing customers to make economic choices that also align with climate goals and affordability concerns.

Regardless, a study with greater depth than simply recommending something like promotional rates paid for by other ratepayers would require more than six months, particularly given the lack of funding and the time it takes—often up to three months—to even secure a consultant.

¹ The PUC expects Rhode Island Energy to file a distribution rate case in the near future.

Please feel free to contact me with any questions at 401-780-2147 or cynthia.wilsonfrias@puc.ri.gov.

Sincerely,

A handwritten signature in blue ink, reading "Cynthia G. Wilson-Frias". The signature is fluid and cursive, with the first name "Cynthia" being more prominent.

Cynthia G. Wilson-Frias
Chief of Legal Services

cc: Representative Handy