

March 20, 2025

The Honorable Joseph J. Solomon, Jr.
Chairman, House Corporations Committee
Rhode Island State House
Providence, Rhode Island 02908

RE: H-5834 – House Resolution Regarding Electric Rates and Reform Strategies

Dear Chairman Solomon:

On behalf of Rhode Island Energy, I write regarding H-5834, which directs the Rhode Island Public Utilities Commission (PUC), the Office of Energy Resources (OER), and Department of Environmental Management (DEM) “to undertake a report with stakeholder participation to identify issues related to current electric rate structure and potential rate reform strategies to ensure electric rates are not a consistent obstacle to Rhode Island’s decarbonization goals.”

Rhode Island Energy provides essential energy services to more than 770,000 customers across the state through the delivery of electricity and natural gas. Our team of 1,400 union and non-union employees is dedicated to helping Rhode Island customers and communities thrive, while supporting the transition to a cleaner energy future in a safe, reliable, and affordable manner.

First, Rhode Island Energy does not oppose collaborative discussions with our regulators, state agencies, and other stakeholders relative to future demands on the electric grid and the identification of potential ratemaking designs and strategies that could support future decarbonization. However, the usefulness of that information is intricately linked to broader rate design paradigms and principles that ensure the prudent recovery of utility costs and support the achievement of other policy goals and mandates. Some of these may be in tension with one another. The resolution identifies one such example by seeking to “minimize or mitigate impact on ratepayers, especially low- and moderate-income ratepayers” (page 1, line 17) but it is not the only one.

Second, to accommodate and optimize outcomes relative to the electrification of the building and transportation sectors, time-of-use pricing will be critical. To enable time-of-use pricing and ensure that the grid can safely and reliably manage increased demands and shifting consumption patterns, enabling infrastructure investments will be necessary. This includes, but is not limited to, Advanced Metering Functionality (AMF), which Rhode Island Energy is in the process of deploying statewide. AMF is a foundational technology and a necessary first step to transforming Rhode Island’s electric distribution grid.

Finally, the proposed bill makes a sweeping but largely unsupported finding relative to current electric rates (page 1, lines 8-9). Rhode Island Energy is not aware of any comprehensive analysis or finding by state regulators or other state agencies that existing electric rates “jeopardize” or are “a constant obstacle” to the state’s decarbonization goals. We are mindful that rates may need to change in the future as technology and energy consumption patterns evolve across society. We respectfully request that this finding be removed from the resolution.

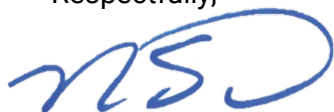
Nicholas S. Ucci
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Thank you for your continued leadership and consideration of these comments.

Respectfully,



Nicholas S. Ucci
Director of Government Affairs

CC: The Honorable Members of the House Corporations Committee
The Honorable Arthur Handy, Rhode Island House of Representatives