



**ENERGY  
MARKETERS  
ASSOCIATION OF  
RHODE ISLAND**

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Chairman David Bennett  
House Committee on Environment & Natural Resources  
Rhode Island State House  
Providence, RI 02903

RE: H.5167, An Act Relating to Health and Safety – The Rhode Island Clean Heat Standard Act

Chairman Bennett and Committee Members:

The Energy Marketers Association of Rhode Island (EMARI) would like to express concerns related to H.5167 An Act Relating to Health and Safety – The Rhode Island Clean Heat Standard Act.

The state of Rhode Island retail distributors of home heating oil, referred to as “heating fuel dealers,” provide warmth and comfort to many Rhode Islanders and a large percent of dealers are small, local, family-owned businesses. EMARI has pushed Rhode Island to lead the way for renewable liquid heating fuels by advocating for the creation of a mandated 5% renewable blend in 2017, a state mandate blend of 10% in July, 2023; and an increase to a 20% blend this year, 2025. ***By 2050, the Rhode Island mandate will result in the use of a net zero heating fuel.*** This industry (our hometown businesses) has been a part of the greenhouse gas solution by providing blends of biodiesel and renewable diesel.

H.5167 declares the need for obligatory parties to reduce greenhouse gas emissions. The bill directs the EC4 Committee to implement a program to force the phase out of fossil fuels, including heating fuel, by setting targets the heating sector must meet. Obligated parties - which would include retail distributors that pick up fuel in Massachusetts or Connecticut for delivery in Rhode Island - would be required to reduce their carbon fuel use by switching clients to alternative fuels (for which they receive credit), or buying credits from another entity that has excess credits. The cost of the credit is set by the EC4 Committee. If the obligated party fails to comply, that party may have to pay a noncompliance payment of three times the amount established by the EC4 committee for timely credit payments. To date, no cost analysis has been completed for this program.

The legislation defines “Heating fuel” as fossil-based fuel, including heating oil, propane, natural gas, coal, and kerosene. Keep in mind that “In 2023, Rhode Island generated 87% of its electricity from natural gas, the second-largest share of any state, after Delaware. Most of the rest of the state's net generation came from solar, biomass, and wind resources. A small amount of

the state's electricity was also generated from petroleum and hydropower.” *U.S. Energy Information Administration, RI State Profile and Energy Estimates.*

<https://www.eia.gov/state/analysis.php?sid=RI> Switching heating systems to electricity is not the short-term answer from a greenhouse gas perspective as well as a cost efficiency perspective. Additionally, Rhode Island experiences storms that knock out electricity to homes and businesses. Careful thought must be given to avoid health and safety risks to our state’s citizens.

H.5167 recognizes and declares social equity as a priority by minimizing adverse impacts to low-income and moderate-income customers and those households with the highest energy burdens. It is important to note that one-third of residents in Rhode Island currently heat their homes with heating oil. Many have taken advantage of programs to install energy efficient burners and furnaces that have a longevity of twenty-five plus years and have a non-compromised supply chain (remain a viable heating source during power outages). The cost of weatherization of dwellings, installation, electric costs and the longevity of the equipment installed need to go into a cost analysis of H.5167 prior to consideration of passage of any language.

EMARI remains committed to advocating for renewable liquid heating fuels working in step with the state’s biodiesel mandate as stewards of Clean Heat. EMARI believes consumer choice, affordability, reliability, and safety must be a part of any energy discussions Rhode Island has as a part of the effort to reduce greenhouse gas emissions. For these reasons EMARI is opposed to the bill drafted.

Sincerely,



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