

MEMORANDUM

To: Portsmouth Town Council and RI Energy Facility Siting Board

From: Linda Ujifusa, State Senator (Dist. 11)

Date: September 16, 2025

Re: Gas Hook-Up Moratorium and Aquidneck Island Energy Future

I am writing to urge you to support a moratorium on new gas hookups on Aquidneck Island because it is a necessary step towards ensuring closure of the Old Mill Lane LNG facility, lowering consumer costs and securing reliable, sustainable clean energy.

1. The Old Mill Lane LNG facility should not bear the burden of energy reliability for Aquidneck Island

The Old Mill Lane site was used previously for propane storage and after those tanks were removed in 2014, the parcel sat vacant. LNG operations officially began only when regulators granted “temporary” waivers in October 2019 to meet an energy crisis that mainly affecting Newport and Middletown in January 2019. ([EFSB Order 142](#)) Local Portsmouth residents have reported noise and light pollution, heavy truck traffic, lingering smells and air pollution, and expressed concern that property values have dropped because of the facility’s presence in what was a quiet residential neighborhood. ([ecoRI News](#)).

2. The temporary status allowed the facility to bypass many safety and siting rules.

- a) Federal: classified as “mobile/temporary” under [49 CFR §193.2019](#), exempting it from full LNG plant standards.
- b) State: avoided the “major energy facility” licensing process, relying instead on short-term waivers and limited licenses. [EFSB Order 142 \(1-8-2020\)](#) , [Order 150 \(8-26-2021\)](#) and [Order 156 \(10-19-2022\)](#).
- c) Local: Portsmouth’s zoning and safety ordinances on noise, screening, and siting were weakened or over-ridden, [ecoRI News](#).

3. The January 2019 gas crisis was caused by upstream problems.

- a) Pipeline malfunction: A mis-programmed valve at Enbridge/Algonquin’s Weymouth station choked flow.
- b) Backup failure: National Grid’s Providence LNG vaporization plant tripped offline.
- c) Record demand: Extreme cold spiked regional usage, collapsing inlet pressure to Aquidneck Island.

These findings are documented by state and federal investigators [RI Division Investigation Report](#); [PHMSA summary](#); see also the EFSB record referencing the state report, [Decision & Order](#).

Adding more demand via new hookups would make “record demand” worse, not better.

4. Bigger, redundant, or “looped” pipes do not solve supply constraints

- a) Upstream capacity is already tight in winter. ISO-NE repeatedly documents that New England sits “at the end of the pipeline,” and gas-fired generators compete with heating load during cold snaps, driving reliability risks and price spikes ([ISO-NE gas constraints explainer](#); [ISO-NE 2025 Winter Markets Report](#)).
- b) A southern “downstream” supply is impractical. Subsea crossings of Narragansett Bay/Sakonnet or Long Island Sound trigger layers of federal/state permitting: CRMC Category B Assent ([CRMC forms & rules](#)), RIDEM 401 Water Quality Certification ([RIDEM 401 WQC](#)), and USACE permits ([USACE New England GPs](#)), see NWP-12 pipeline activities, e.g., [summary PDF](#)). Comparable marine gas projects have failed after years of litigation or review.

5. Gas prices are expected to rise

Although current gas prices are relatively low, costs spike and are expected to rise for multiple reasons.

- a) Domestic demand and LNG exports tighten supply.

U.S. natural gas is pulled in multiple directions—power plants, industry, and buildings already strain supply. In addition, LNG exports now link U.S. markets to global prices, and domestic consumers are exposed to global shocks. Stanford’s *Understand Energy* overview notes that LNG exports generally push U.S. prices upward ([Stanford “Understand Energy”](#)). After Russia’s invasion of Ukraine, exports to Europe surged and domestic prices spiked ([EIA sector use](#); [EIA on U.S. as top LNG exporter](#)).

- b) New England winters

Cold snaps in New England trigger some of the sharpest price swings in the country ([EIA New England dashboard commentary](#)), as confirmed in ISO-New England’s Winter 2025 market results ([ISO-NE Winter 2025](#)). The EIA projects Henry Hub benchmark prices peaking around \$4.60 per MMBtu this winter—about 50% above current levels ([EIA Short-Term Energy Outlook](#)). Current levels can be tracked via FRED’s Henry Hub series ([FRED DHHNGSP](#)).

- c) Most new supply is fracked gas

Hydraulic fracturing now provides nearly all new U.S. gas supply, but the infrastructure needed to transport it to southern New England, growing international demand, and the documented health and environmental risks of fracking all make this supply increasingly costly ([EPA national assessment](#), [NRDC summary](#)).

6. New Gas Hookups distribute costs and benefits unfairly

- a. New Customers: Under Rhode Island PUC line-extension rules, a new customer *may* have to pay all or part of the cost of extending or installing poles, distribution lines, or other equipment required for service, if the cost exceeds certain allowances. However, for many standard hookups—where projected revenues from the customer are expected to sufficiently cover the costs—the required direct payment by the customer is small or even zero. [PUC Policy](#)

- b. Cost Sharing Across Ratepayers: Any remaining hookup costs are added to the utility’s capital base and recovered through rates charged to all customers statewide. In practice, this means existing ratepayers subsidize new hookups, even though they do not benefit from them. The Aquidneck Island

Long-Term Gas Capacity Study confirms that costs of infrastructure expansion are spread across all Rhode Island gas customers, not just those newly connected ([National Grid Aquidneck Study, 2020](#)).

c. Utilities Profit: Once built, new gas infrastructure is treated as “plant in service,” entitling Rhode Island Energy to a guaranteed return on equity (currently 9.275%) under the state’s regulatory framework. That return is embedded in customer rates for decades, locking in recovery regardless of whether cleaner or cheaper alternatives are available ([RI PUC Docket 5099 filings](#)); ([FY2026 Gas ISR Filing, Docket 24-55-NG](#)).

d. Stranded Asset Risk: As customers choose other energy besides gas, infrastructure built today may become “stranded assets”—projects that still have decades of costs left to recover but too few customers to pay for them. When that happens, the remaining ratepayers will cover the unpaid balance for infrastructure that is no longer fully used or needed. ([Acadia Center testimony Docket 5099](#))

7. National defense is not served by allowing more gas hook-ups.

Naval Station Newport and the Department of Defense have identified climate change risks and are planning resilience and clean-energy measures (DoD Climate Adaptation Plan 2021 and 2024–27 updates: [2021 CAP](#), [2024–27 CAP](#); MIRR for NAVSTA Newport: [project overview](#), [MIRR flyer](#)). Our community should align with that direction, not increase exposure to foreign energy cost fluctuations and climate change risks.

8. Gas hook-ups pose health risks to consumers

Gas-heated homes can expose residents to harmful indoor pollutants such as nitrogen dioxide (NO₂) and fine particulate matter, both of which irritate airways and increase asthma risk. A meta-analysis found children living in households that cook with gas have about a 32–34% greater odds of having current asthma symptoms compared to children in homes without gas stoves (odds ratio ≈ 1.32–1.34). ([Lin, Brunekreef, & Gehring, 2013](#); [Gruenwald, Seals, & Knibbs, 2022](#))

Another study demonstrated that gas and propane combustion from stoves emits benzene—a known carcinogen—at rates far above those from electric alternatives, and that these emissions persist in indoor air (including bedrooms) hours after the appliance is turned off ([Kashtan et al., 2023](#)).

9. All paths forward require reduction of gas demand

Multiple studies show weatherization and heat pumps can relieve constraints at far lower cost than new gas infrastructure (see Acadia Center comments in Docket 5099 urging non-pipeline alternatives, [PUC filing](#); and RMI’s *Economics of Electrifying Buildings* (Providence case study), [RMI report](#). Recent studies further show that heat pumps can function in cold New England weather, see, e.g., [Maine analysis](#), and [DOE study](#). These options, and not expensive additional infrastructure building, should be prioritized to save consumers from higher costs.

National Grid’s own modeling shows that without significant reduction of demand, Aquidneck Island may have to keep relying on a portable LNG facility for more than a decade. However, by cutting demand growth at the root — through electrification, efficiency, and avoiding new gas hookups — the island could shift away from these temporary gas fixes toward a more sustainable, clean, and cost-effective energy future. [NGrid Capacity Study](#).

Conclusion

I urge you to support a moratorium on new gas hookups because it is necessary to:

- End Portsmouth's unfair burden of hosting the so-called "temporary" LNG facility at Old Mill Lane.
- Shield ratepayers from volatility tied to winter gas spikes and global LNG markets.
- Prevent decades of locked-in costs from gas pipelines, plants, and guaranteed utility profit recovery.
- Speed the transition to better alternatives—weatherization, heat pumps, and renewable energy that are cheaper, safer, and more reliable.

On [November 19, 2020](#), the Portsmouth Town Council—on which I then served—voted unanimously to support a moratorium on new gas hookups.

I understand that some council members are considering reversing this decision. In the interest of transparency, I respectfully request that they present the evidence and reasoning that justify such a change prior to their voting.