

Caitlin Sanford 375 Rochambeau Ave Providence, RI 02906

Dear Chair Solomon, House Corporations Committee members, and Clerk Mansolillo,

As Co-President of Climate Action Rhode Island, I am writing to express CARI's support of HB 5245. This legislation will ensure that energy remains both affordable and sustainable for Rhode Island's low-income families.

Energy is unaffordable and tariffs will make it worse

Energy is a basic necessity, yet many Rhode Island families struggle under the burden of high utility bills. The implementation of a Percentage of Income Payment Plan (PIPP) will create a fair system where households pay an affordable percentage of their income toward energy costs. This approach has been successfully adopted in states such as Pennsylvania, Ohio, New Jersey, Colorado, New Hampshire, Maine and Illinois [LIHEAP Clearinghouse].

Recent federal tariff policies are set to increase energy prices across New England. Massachusetts Governor Maura Healey has warned that these tariffs will cause energy bills to skyrocket, putting even more strain on working families, making it even more critical to establish programs like PIPP that provide a safety net for households struggling with rising costs [New England Council].

Affordable energy and green energy can coexist

Some have expressed concern that ensuring affordability for low-income families could hinder Rhode Island's clean energy transition. Investing in a PIPP program will provide financial stability to vulnerable households while encouraging efficiency and conservation measures that align with our state's Act on Climate goals. Other states with PIPP programs have successfully integrated clean energy initiatives without sacrificing affordability. Rhode Island can and must do the same.

A proven solution with tangible benefits

The PIPP model is well-established and has demonstrated significant benefits:

- Reduction in arrearages: PIPP programs in states such as New Jersey and Illinois have helped low-income households avoid utility debt, leading to greater financial stability
- Improved energy efficiency: States with PIPP programs often pair them with weatherization and efficiency upgrades, reducing overall energy demand and costs over time.



• Support for Rhode Island's climate commitments: By ensuring that low-income households have access to predictable and manageable energy costs, we create an equitable foundation for achieving our emissions reduction goals.

<u>Utility profits vs. consumer burden</u>

While Rhode Island families struggle to afford their utility bills, PPL, the parent company of Rhode Island Energy, reported **2024 earnings of \$888 million**, or **\$1.20 per share**, compared with **\$740 million in 2023**, a **one-year 20% increase in profits_[PPL]**. This stark contrast highlights the need for policies that prioritize affordability and fairness for consumers over corporate profit.

The bottom line is that we can have both affordable energy and green energy. A PIPP program will ensure that no Rhode Islander must choose between paying their utility bills and meeting their basic needs, while also reinforcing our commitment to a clean energy future.

I urge you to support House Bill 5245 and take this crucial step toward ensuring no Rhode Island child or elderly resident freezes or suffers in heat. Thank you for your time and consideration.

Sincerely,
Caitlin Sanford
Co-President, Climate Action Rhode Island