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Via Electronic Mail

March 20, 2025

The Honorable Joseph Solomon Chair, House Committee on Corporations House Lounge, State House Providence, RI 02903

Re: CLF Supports House Bill 5815 – Intervenor Compensation Fund

Dear Chair Solomon:

Thank you for the opportunity to provide testimony on House Bill 5815 – Intervenor Compensation Fund. CLF supports this proposal and believes that it will encourage more participation at the Public Utilities Commission ("PUC") and Energy Facilities Siting Board ("EFSB"), and help these agencies reach decisions that are more democratic and fair for impacted individuals.

CLF is a member-supported non-profit environmental advocacy organization working throughout New England to counter climate change, restore the health of our oceans, embolden new energy infrastructure, and safeguard health, quality of life, and economic prosperity for future generations. Our attorneys actively practice in front of both the PUC and EFSB and have witnessed the need for greater participation from within impacted communities.

The General Assembly has charged these agencies with crucial responsibilities, like deciding how and where critical energy infrastructure will be built, and ensuring that Rhode Islanders pay just, reasonable, and affordable rates for electricity and gas. Currently, if you walk into any rate hearing at the PUC, you can expect to find the same set of actors-the Division of Public Utilities and Carriers ("DPUC" or "Division"), the utility, and often the Office of the Attorney General. Each entity plays a distinct role. The DPUC is considered the primary ratepayer advocate and is charged with vetting utility proposals to make sure that rates charged are just and reasonable for the average ratepayer. The utility often appears before the PUC seeking approval to spend ratepayer money and suggesting a mechanism through which ratepayers should be charged. They need to prove that the expenditure is necessary to meet statutory or regulatory requirements, and that the benefits outweigh the costs. The Attorney General focuses on how the process and outcomes comply with a broad range of applicable state laws, such as the Act on Climate, and not just the specific requirements cited by the utility.



However, these three entities do not encompass the full scope of experience of those who will be impacted by the utility proposal and agency decision. For that reason, other people and organizations are allowed to intervene in proceedings at the PUC or EFSB when they would be directly impacted by the decision and existing parties do not adequately represent their interests. A good example of beneficial intervention by a third party came in last year's PUC Docket 24-31-EL.¹ In setting winter rates, the PUC had to decide what to do with roughly \$25 million of funds that the utility over-collected for the provision of electricity supply. The Rhode Island Center for Justice intervened on behalf of the George Wiley Center to advocate for low-income ratepayers, who they explained were facing a significant affordability crisis given the historically high rates going into the winter of 2024. The interests of these ratepayers were not being adequately represented by any existing party in the case, as the DPUC advocates for ratepayers generally, not low- and moderate-income ratepayers specifically.

Because of this intervention, a significant portion of these funds were provided directly to lowincome customers in the form of bill credits of almost \$23.50 each month for six months, which helped offset some of the high utility costs that we have experienced. This is an example of how intervention by parties outside of the usual actors can play an important role in crafting and implementing public policy in the regulation of our public utilities.

This is just one example of beneficial intervention, and there are a great many dockets before the PUC and the EFSB in which intervention by specific community groups or directly impacted individuals would aid these agencies in making their final determinations. However, the costs of participation are significant. A group seeking to engage must, at a minimum, be represented by a lawyer. If they want to present evidence as to why a particular outcome is unjust or support an alternative outcome, they need an expert witness to make the case and be subject to cross-examination by the utility and other parties.

These costs are a real barrier. A few years ago, the People's Port Authority attempted to intervene in an EFSB docket concerning a proposal to expand a propane facility² in their Providence community. Despite the significant and direct impact that the proposal would have on their members and community, the group was not allowed to participate because it couldn't afford to hire a lawyer. Luckily, the Attorney General, out of a sense of civic pride and to foster community engagement, sponsored the organization's testimony and brought their perspective into the case.

While this case had a positive outcome, we cannot simply hope that in future cases there will be parties willing to sponsor the testimony of community members and groups for free. H-5815 would provide grants for impacted community members to engage in these legal proceedings and be sure that their voices and experiences are represented. Currently, the utility is able to fund its participation in these proceedings with money that it collects from us, the ratepayers. The

¹ Documents from this docket are available at <u>https://ripuc.ri.gov/Docket-24-31-EL</u>.

² Documents from this docket are available at <u>https://ripuc.ri.gov/efsb/2021_SB_03.html</u>.



agencies that engage are funded through our state budget. That leaves community organizations on the outside looking in with no financial support, even though they are likely to be impacted most directly by the agencies' decisions. This program will give them a foot in the door and a helping hand to make sure that they have access to at least a modicum of meaningful engagement, even though their resources are dwarfed by those of the utility and state agencies.

Rhode Islanders have the right to be heard. When they are being asked to shoulder a disproportionate burden of the costs and negative impacts of our utility system, they should be supported and encouraged to engage in the process—rather than expected to serve as a sacrifice zone casualty for a collective prosperity that leaves them behind.

CLF therefore urges the passage of H-5815. Thank you for your time and consideration of this testimony.

Respectfully submitted,

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Jamie Rhodes Senior Attorney Conservation Law Foundation

cc: Members of the House Corporations Committee
The Honorable David Morales
Darrèll Brown, Vice President, Rhode Island, Conservation Law Foundation