



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

Administration

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April 1, 2025

The Honorable Joseph J. Solomon, Jr.
Chairman – House Committee on Corporations
State House
Providence, R.I. 02903

Re: **H 5575 – Long-Term Contracting Standards for Renewable Energy**

Dear Chairman Solomon:

The Division of Public Utilities and Carriers (Division) thanks you and the Committee for the opportunity to submit comments in response to House Bill No. 5575. This proposed legislation would amend long-term contracting standards to allow Rhode Island Energy (Company) a voluntary opportunity to procure nuclear energy. The Division supports the pursuit of new nuclear and other non-carbon emitting energy procurement options, particularly those that address ratepayer affordability. To that end, although the Division supports the proposed legislation, we respectfully request a brief amendment that would safeguard ratepayers and ensure they receive maximum value from any future nuclear energy procurements.

I. Remuneration Unwarranted

Specifically, the Division finds inappropriate the “financial remuneration and incentives” revisions contained on page 1, lines 14 through 18, which grant the Company guaranteed compensation of up to one percent (1%) of the total payments made under contracts entered by January 1, 2027. Instead, the remuneration process described on page 1, line 18 through page 2, line 4 better protects our ratepayers by making remuneration subject to evidentiary processes and Public Utilities Commission (Commission) approval. The Division respectfully requests that the Committee remove the 1% guaranteed remuneration and amend the above-described section to ensure that all future remuneration under this chapter must instead receive Commission approval—regardless of the contract execution date.

Fundamentally, the Division notes that the Company likely can already procure nuclear energy through the last resort service (LRS) process enshrined in R.I. Gen. Laws § 39-1-27.3¹ or, if a regional procurement, through the regional energy planning process detailed in R.I. Gen. Laws § 39-31-4². As such, amendment of the remuneration language is critical, as neither existing process contemplates similar 1% guaranteed compensation. Put simply,

¹ [R.I. Gen. Laws Title 39, Chapter 1-27.3--Last Resort Service Requirements](#)

² [R.I. Gen. Laws Title 39, Chapter 31-4--Regional Energy Planning](#)

the Division will not support any version of the proposed legislation that grants a guaranteed 1% remuneration payment without any evidentiary safeguards for our ratepayers.

II. Future Legislative Considerations

Lastly, the Division notes that our neighboring states have recently taken a comprehensive approach to nuclear procurement legislation³. On November 11, 2024, Governor Healy signed legislation enacting Chapter 239 of the Acts of 2024⁴, which—among many additional “net zero” initiatives—amends the definition of “clean energy” to now include “nuclear” and “fission” within the Massachusetts renewable energy laws. As a result, Massachusetts can now obtain and utilize the renewable energy certificates (RECs) generated by nuclear energy contracts.

Similarly, Connecticut General Statutes Title 16, Chapter 277 § 16-1(20)⁵ enshrines certain nuclear energy as “Class 1” renewable energy sources, allowing nuclear RECs to be obtained and utilized by the state. In contrast to our neighbors, the current resource definitions promulgated under R.I. Gen. Laws § 39-26-5 (Renewable Energy Standard)⁶ do not contemplate nuclear energy. As a result, the Committee should be aware that any future nuclear energy contracts will not generate RECs that can be utilized as: (1) official accounting of our renewable energy utilization, and (2) a market-based instrument that can be utilized (sold) to defray related costs.

Because Renewable Energy Standard definitional changes go beyond the scope of the proposed legislation, the Division respectfully requests that the Committee consider studying future legislation replicating the efforts of our neighboring states. In sum, the Division supports House Bill No. 5575 but urges the Committee to consider the remuneration amendment proposed above, and separately suggests additional REC analysis in the future. The Division appreciates your time and consideration. Please feel free to reach out to my office if you have any questions.

Sincerely,



Linda George, Esq.
Administrator, RI Division of Public Utilities and Carriers

Cc.

The Honorable Members of the House Committee on Corporations
Nicole McCarty, Esq., Chief Legal Counsel, Speaker of the House

³ [Massachusetts Legislature Press Room--House Passes Critical Energy Reforms to Meet 2050 Net Zero Climate Goals](#)

⁴ [Session Law - Acts of 2024 Chapter 239](#)

⁵ [Chapter 277 - Department of Energy and Environmental Protection. Public Utilities Regulatory Authority. Office of Consumer Counsel. Miscellaneous Provisions](#)

⁶ [R.I. Gen. Laws Title 39, Chapter 26--Renewable Energy Resources](#)