

May 29, 2025

The Honorable Joseph J. Solomon, Jr.
Chairman, House Corporations Committee
Rhode Island State House
Providence, Rhode Island 02908

RE: H-6202 – Relating to Public Utilities & Carriers – Moratorium on Net Metering, Long-Term Contracts and Subsidies for Heat Pumps

H-6203 – Relating to Public Utilities & Carriers – The Renewable Energy Growth Program

Dear Chairman Solomon:

On behalf of Rhode Island Energy, I write regarding H-6202 and H-6203, which would place a moratorium on net metering, customer-sited or grid-connected power generated energy contracts, long-term contracts for solar and wind, and subsidies for heat pumps, and repeal the Renewable Energy Growth Program.

Rhode Island Energy provides essential energy services to more than 770,000 customers across the state through the delivery of electricity and natural gas. Our team of 1,400 union and non-union employees is dedicated to helping Rhode Island customers and communities thrive, while supporting the transition to a cleaner energy future in a safe, reliable, and affordable manner.

Rhode Island Energy is fully supportive of the state’s overall climate goals and is committed to doing its part to further the clean energy transition. However, if the robust public dialogue around energy affordability this past winter teaches us anything, it is that immediate and near-term utility bill impacts must also be considered.

This summer, approximately 25% of the “typical” residential electric bill (500 kWh per month) stems from public policy initiatives and state taxes, equating to more than \$35 per month. These costs increase or decrease based upon a customer’s individual monthly usage. **While these initiatives provide important energy, economic, and environmental benefits for Rhode Islanders, they also come at a cost that must be paid by utility customers today.**

To provide one example of growing impacts on utility ratepayers, consider that net metering is now one of the largest public policy cost drivers on the electric bill today and is financially unsustainable for our customers if left unchecked. **In 2024, the net metering program cost Rhode Island electric customers more than \$111 million. This represents a 20% year-over-year increase and is more than double program costs incurred in 2022. This summer, a typical residential electric customer will pay \$7.29 per month to support this single initiative – about 5% of the total bill.** Pursuant to the General Laws, net metering program costs are passed through to electric distribution customers with no utility “mark-up” or profit. Because net metering compensates at the full retail rate, unchecked program growth and expansion is leading to a shrinking pool of customers paying for distribution and transmission infrastructure vital to grid reliability and achievement of Act on Climate goals. The effect is one of shifting

system costs from one set of energy customers to another, including low-income and other vulnerable populations.

In addition, the state's Renewable Energy Growth program will cost the typical residential electric customer \$5.75 per month this summer or 4% of the total electric bill. Rhode Island Energy estimates that lifetime costs for this program may exceed \$3 billion, with customer bill impacts increasing from \$4 per month to more than \$17 per month over the next decade.

Rhode Island Energy is committed to working with state lawmakers, regulators, and other stakeholders to explore opportunities for more equitable and cost-efficient policy outcomes, particularly when those policies are funded through local utility bills. Clean energy policies, such as net metering and the Renewable Energy Growth program, should be thoughtfully examined and re-calibrated for affordability, equity, and reliability, while ensuring that customers still benefit from (and retain reasonable access to) renewable energy supplies. Rhode Island Energy welcomes the opportunity for further discussion and collaboration.

Our Company appreciates and empathizes with the financial challenges that so many of our family, friends, and neighbors – your constituents and our customers – are facing each day, especially at a time when the price of basic goods and services are increasing throughout the economy. We applaud the Committee's willingness to work collaboratively to identify meaningful opportunities that can reduce energy cost burdens for Rhode Islanders, while ensuring the continued safe and reliable delivery of energy vital to the wellbeing of our citizens and economy. Rhode Island Energy looks forward to being a productive partner in those efforts.

Thank you for your continued leadership and consideration of these comments.

Respectfully,



Nicholas S. Ucci
Director of Government Affairs

CC: The Honorable Members of the House Corporations Committee
The Honorable Michael Chippendale, Minority Leader, House of Representatives