

# Representative Joseph Solomon, Chair

May 29<sup>th</sup>, 2025

House Corporations Committee Rhode Island House of Representatives

# **RE: Green Energy Consumers Alliance Opposes House Bill 6202**

Dear Chair Solomon and members of the Committee,

On behalf of Green Energy Consumers Alliance and our thousands of members across Rhode Island, I write in strong opposition to House Bill 6202, which would place a moratorium on net-metering, long-term contracting, and state funded subsidies for heat pumps.

### Rhode Island Is Not on Track to Achieve Act on Climate Goals

The Act on Climate mandates that Rhode Island reduce its total greenhouse gas (GHG) emissions 45% by 2030 and net zero by 2050. However, the Executive Climate Change Coordinating Council's (EC4's) 2022 plan to meet the Act on Climate shows that the state would only achieve 40% emissions reductions by 2030, and that's if everything in the plan gets implemented. Programs like netmetering and long-term contracting are key to ensuring that Rhode Island can invest in clean energy solutions that bring the state closer to meeting the Act on Climate and improve the health and safety of residents.

### **Clean Energy Provides Grid and Price Stability**

Clean energy sources like wind and solar are critical for grid reliability. Offshore wind can help reduce both emissions and energy costs as it can protect ratepayers against fossil fuel price volatility. Offshore wind also provides stable homegrown energy right here in New England and can reduce reliance on the volatile global fossil fuel market where geopolitical events can send prices skyrocketing. In 2022, Russia invaded Ukraine and power prices in the New England region surged due to reliance on imported fossil fuels. Offshore wind would have greatly mitigated that had the resource been up and running at scale then.

Electricity prices also spike during the coldest days of January and February as gas-fired power plants have to pay more for gas or oil. By contrast, offshore wind produces the most during the winter as low temperatures often correlate with strong winds. These strong winter winds mean that when the region is demanding more energy from our electric grid due to very cold temperatures, offshore wind is uniquely well positioned to supply the additional energy being demanded. Offshore wind also keeps money in New England. Right now, ratepayers are sending an average of \$3 billion out of the regional economy each year for natural gas and by building out local energy sources, spending can remain in the state and in the region.

Long-term contracting for renewable energy and net metering programs is what will allow Rhode Island to reach the mandates in the Act on Climate and Renewable Energy Standard. Without these programs, there are limited feasible ways that the state can reduce emissions without

compromising energy reliability or affordability. Pursuing fossil fuel energy sources instead of clean, renewable energy will be harmful for Rhode Island's economy, environment, and residents.

# **Heat Pumps Are Essential to the Clean Energy Transition**

Heat pump incentive programs in Rhode Island are currently funded through federal or regional programs. The <u>Clean Heat Rhode Island</u> (CHRI) program was funded from the State Fiscal Recovery Fund from the American Rescue Plan Act and was extremely successful as the program is currently full subscribed. The Office of Energy Resources has also been successful in securing Regional Greenhouse Gas Initiative (RGGI) funding to use for CHRI to ensure the program can relaunch and continue providing incentives to customers looking to install a heat pump. Without incentives, it can be extremely costly for homeowners or businesses to switch from their current fuel source, which can slow the progress Rhode Island intends to make to reach the Act on Climate. Additionally, ratepayers that current heat their homes with delivered fuels will save money by switching to a heat pump due to the operating costs of electricity as compared to delivered fuels. Heat pumps are a highly efficient technology and still reduce emissions from electricity use when compared to fossil fuel heating equipment, even with the grid supplying the electricity is powered with fossil fuels.

While heat pump incentives are not currently funded with state funds, heat pumps are a critical technology that must continue to be deployed for Rhode Island to meet the Act on Climate mandates. Heat pumps can help homeowners and businesses save money and use a fuel source that is becoming cleaner each year, due to Rhode Island's 100% Renewable Energy Standard.

### Conclusion

To ensure Rhode Island has a reliable build out and adoption of clean energy, long-term contracting and net-metering must remain available. Prematurely establishing a moratorium on state funded heat programs could disadvantage the state and make it harder to reach the Act on Climate mandates, and help ratepayers save money. Green Energy Consumers Alliance urges the Committee and full General Assembly to vote **against** passage of H6202.

Sincerely,

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