

April 3, 2026

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

RE: H-7112 – Relating to Public Utilities & Carriers – Regulatory Powers of Administration

Dear Chairman Solomon:

On behalf of Rhode Island Energy, I write in **opposition** to H-7112, which would arbitrarily limit electric rate increases to no greater than 5.5% or the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U). **This legislation would result in future price spikes for utility customers, jeopardize the safe and reliable delivery of energy services across the state, may run afoul of Constitutional protections, and runs contrary to other state laws and policy mandates.**

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 1,300+ 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.

Electric rates can be impacted by a multitude of issues, many of which are beyond the utility's direct control. This is true whether those rates are recovering prudently incurred costs associated with supply, delivery, or public policy mandates.

Respectfully, we note the following:

- **Rate adjustments are already subject to transparent, comprehensive, and evidentiary-based review processes conducted by the Public Utilities Commission (PUC).**
- **Arbitrary limits, such as those proposed here, run afoul of U.S. Supreme Court decisions** such as *Bluefield Water Works v. PSC of West Virginia* (1923) and *Federal Power Commission v. Hope Natural Gas* (1944), making this legislation likely to be unconstitutional.
- **This bill could have the effect of increasing costs for customers** by creating cash flow issues and deferrals that are ultimately recoverable from utility ratepayers over time.
- **This legislation would artificially limit the adjustment of rates to recover costs from critical investments that support the safe and reliable delivery of energy throughout Rhode Island, including those that support system resiliency/hardening and storm recovery.**

- **Important public policies, including those supporting the Act on Climate and Rhode Island’s clean energy economy, could be severely hindered by this proposal.** The Company must be able to recover costs associated with statutorily mandated programs. Removing that ability may slow down or stop entirely the advancement of such programs when their costs increase at a faster pace than inflation.

In closing, Rhode Island Energy appreciates the opportunity to comment on this proposed legislation and respectfully asks that the Committee **oppose** H-7112 in its entirety.

Thank you for your attention to this matter.

Respectfully,



Nicholas S. Ucci
Director of Government Affairs

CC: The Honorable Members of the House Committee on Corporations
The Honorable John J. Lombardi, Rhode Island House of Representatives