



## STATE OF RHODE ISLAND

### DIVISION OF PUBLIC UTILITIES & CARRIERS

Administration

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April 7, 2025

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

### Re: **H 7880 - Percentage of Income Payment Plan**

Dear Chairman Solomon:

Although the Division of Public Utilities and Carriers (“Division”) appreciates the intent of House Bill No. 7880, we must alert the Committee to unintended impacts to income eligible ratepayer programs that would arise from a Percentage of Income Payment Plan (“PIPP”) as contemplated in the bill. That is particularly so at this moment, given that the Public Utilities Commission (“PUC”) is presently in the midst of a Rhode Island Energy (“RIE”) rate case which, not coincidentally, considers varying degrees of discounts based on ratepayer incomes going forward.

As it stands now, however, the established income-eligible discount program already incorporates central aspects of the proposed legislation, such as a tiered reduction in monthly bills, based on income. For example, current income eligible households who qualify for LIHEAP or other assistance programs receive a 25% monthly bill discount. Importantly, this discount rises to 30% for households that qualify for Medicaid. Each of these discounts are then further supplemented by state programs such as Arrearage Forgiveness, LIHEAP Enhancement and weatherization assistance; the federal LIHEAP program; and utility offerings including budget billing. As the Committee can see, there are multiple, interconnected assistance programs that must be carefully balanced so we can ensure the broadest and most effective benefit to our income-eligible ratepayers. That balance is best addressed through a regulatory process, rather than a legislative one.

Accordingly, the Division urges that any adjustment of income eligible discounts and billing procedures should be taken up holistically, that is, accounting for all other existing forms of assistance. The Division is deeply concerned by the risk that a single, direct legislative PIPP action could neglect or unintentionally remove the applicability of the above-described supplemental assistance programs.

Additionally, the net ratepayer cost impact if a PIPP were to go into effect is an important consideration. The Division is also mindful that there are many economically vulnerable households just beyond the eligibility provisions of this bill, and as such, those cost consideration changes take on added importance.

In sum, the Division shares the sponsors' commitment to support income-eligible programs, but strongly suggests that this critical balance to be properly addressed before the PUC in the comprehensive administrative process where the Division is an indispensable party to the proceedings.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda George".

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

CC: The Honorable Scott Slater  
The Honorable Members of the House Committee on Corporations  
Nicole McCarty, Esq., Chief Legal Counsel