



MAYOR BRETT P. SMILEY CITY OF PROVIDENCE

April 7, 2026

The Honorable Joseph J. Solomon, Jr., Chair
House Corporations Committee
Rhode Island State House
82 Smith Steet
Providence, RI 02903

Dear Chair Solomon and Honorable Members of the Committee:

I am writing in support of House Bill 7880, *An Act Relating to Public Utilities and Carriers – Duties of Utilities and Carriers*. If enacted, this legislation which would create a percentage of income payment plan (PIPP), would offer significant relief to low- and moderate-income households struggling to pay high energy bills by capping costs at 3%-6% of household income. This bill would start to address issues of energy affordability for households that face a disproportionate energy burden.

According to the U.S. Department of Energy, low-income households face a greater cost burden for home energy costs, which can force families to make difficult choices between paying energy bills and necessities such as food and medicine.

In 2019, the City of Providence developed the Climate Justice Plan. The plan confirms DOE's assessment, highlighting analysis from the American Council for an Energy-Efficient Economy (ACEEE) showing that low-income households in Providence devote about 9.5% of their income to energy costs, compared to just 4.7% for all other households. At the time this report was published, this put Providence fifth highest in the entire country for low-income energy burden.

Energy costs are largely outside the control of low-income households. These households often live in older homes with leaky envelopes and little insulation. When developing the Climate Justice Plan, a common concern voiced by low-income residents was the inability to keep their homes warm in the winter or cool in the summer. Further, most low-income households rent their homes, so have little ability to make improvements that would lessen their energy usage and costs.

The Climate Justice Plan's Housing and Buildings chapter includes a target to reduce Providence's low-income energy burden to less than 5%, and specifically recommends creating protections for low-income residents through a percentage income payment plan. Given the disproportionate negative impact of high

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energy costs on low- and moderate-income residents, and the limited ability for these residents to address the root causes of these impacts, a percentage income payment plan is an appropriate remedy. Enacting this bill will help ensure our state's most vulnerable residents don't have to pick between being warm, fed, or healthy.

I respectfully urge the Committee to vote in favor of House Bill 7880.

Sincerely,



Priscilla De La Cruz

Director of Sustainability

City of Providence