



*Via Electronic Mail*

April 7, 2026

The Honorable Joseph Solomon  
Chair, House Committee on Corporations  
House Lounge, State House  
Providence, RI 02903

Re: CLF **Supports** House Bill 7881 – Prohibition on Utility Spending

Dear Chair Solomon:

Thank you for the opportunity to provide testimony on House Bill 7881 – Prohibitions on Utility Spending. CLF **supports** this proposal and believes that it provides necessary guidance to the Public Utilities Commission (“PUC” or the “Commission”) and our state’s utility companies concerning the proper use of ratepayer money.

CLF is a member-supported non-profit environmental advocacy organization working throughout New England to counter climate change, restore the health of our oceans, embolden new energy infrastructure, and safeguard health, quality of life, and economic prosperity for future generations. We are active participants in many PUC dockets reviewing utility proposals, with the goal of aligning decisions with state climate policies.

CLF supports this bill because it adopts effective utility regulatory practices that have already been implemented by neighboring states.<sup>1</sup> As noted by Rhode Island Energy in previous years’ testimony, this bill is largely a codification of decisions that the PUC has made to protect Rhode Island ratepayers. This includes limiting Rhode Island Energy’s ability to use ratepayer funds for charitable contributions, political expenditures, membership dues to trade associations, travel and lodging of the utility’s for-profit board of directors, and costs in managing relationships with their investors.

The General Assembly must codify these rules to prevent backsliding at the Commission. Future politically appointed Commissioners can overturn these decisions. The utility’s overwhelming advantage in access to lawyers, consultants, and other resources in comparison to the

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<sup>1</sup> Proposed § 39-2-1.5(a)(1) is consistent with Mass Gen. Laws Ch.164, § 33A and Conn. Gen. Stat. § 16-243gg. Proposed (a)(2) is consistent with Conn. Gen. Stat. § 16-243gg. Proposed (a)(3) codifies a PUC decision. Proposed (a)(4) is consistent with Conn. Gen. Stat. § 16-243gg. Proposed (a)(5) codifies a PUC decision. Proposed (a)(6)(i)-(iv) is consistent with Conn. Gen. Stat. § 16-243gg.

Commission, Division of Public Utilities and Carriers, and Attorney General puts these protections at risk with one poor appointment by the Governor.

Putting these prohibitions in statute is an example of the General Assembly recognizing the wisdom of Commission decisions and backing an agency with the full force of state law. The General Assembly unquestionably has the authority to alter the Commission's operations, provide it with new powers, take away existing powers, and amend the legal standard governing utilities. The utility's claim that legislation by the General Assembly amounts to "usurpation" of PUC authority—an authority which is wholly derived from and delegated by the General Assembly—is a profound and dangerous misunderstanding of the law. It appears designed to shift power away from elected officials who represent Rhode Islanders from all walks of life, and toward political appointees.

This bill also includes an annual limit on how much money ratepayers will be forced to advance Rhode Island Energy for grid investments. This limit tracks recent decisions by the Commission to require the utility to work within a budget and control the pace of investments—decisions which could be overturned by future appointees. If the utility needs to spend more to maintain safety and reliability, it can seek recovery from the PUC by demonstrating that the investment is being used and is useful to ratepayers. This regulation does not limit Rhode Island Energy's ability to recover reasonable costs, it merely places a limit on their ratepayer credit card.

Since Rhode Island Energy does not have to compete with any other company, the only protection Rhode Islanders have from predatory and unjust treatment is effective regulation by the PUC, based upon the laws passed by the General Assembly. Given that we don't get to choose who provides us utility services, Rhode Islanders must be able to trust that our elected officials and appointed regulators will protect us. H-7881 would establish some clear guidance so that ratepayers can trust that our dollars are being used for our benefit.

CLF urges passage of H-7881. Thank you for your time and consideration of this testimony.

Respectfully submitted,



Jamie Rhodes  
Senior Attorney  
Conservation Law Foundation

cc: Members of the House Committee on Corporations  
The Honorable Art Handy  
Darrèl Brown, Vice President, Rhode Island, Conservation Law Foundation