

February 27, 2025

Honorable David Bennett, Chair
House Environment and Natural Resources Committee
State House, Room 135
82 Smith Street
Providence, Rhode Island 03903

**RE: House Bill 5424, AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND
CLIMATE SUPERFUND ACT OF 2025 --OPPOSED**

Dear Chairman Bennett and members of the Rhode Island House Environment and Natural Resources Committee, I would like to thank you for allowing Consumer Energy Alliance (CEA) to offer this testimony in opposition to H.5424.

CEA is a nonpartisan, consumer advocacy organization representing virtually every sector of the US economy—from the iron and steel industry to truckers, airlines, agriculture, labor unions, restaurants, chemical manufacturers, small businesses, and families across the nation. Our members support a rational, all-of-the-above energy policy that delivers affordable, reliable, and cleaner energy to families and businesses.

Policymakers must understand the importance of energy policy decisions on families' and businesses' finances. With this in mind, we urge this Committee to carefully consider the negative impact House Bill 5424 would have on families—particularly those living below the poverty line and seniors on fixed incomes—and small businesses throughout the Ocean State.

According to the US Energy Information Administration, in 2023, 32% of Rhode Island homes will be heated with petroleum products, and 87% of in-state electricity will come from natural gas-fired power plants. Additionally, Rhode Islanders consume approximately 400 million gasoline gallon equivalents.

The penalties imposed in this bill will unquestionably end up embedded in the costs Rhode Islanders pay for energy—and as the numbers above suggest -- a vast majority of that energy consumption is derived from fossil fuels. While investments in energy efficiency and technologies like heat pumps have helped make Rhode Island a pillar of energy savings and greenhouse gas emissions reductions, passing HB 5424 will not necessarily reduce greenhouse gas emissions. If it and similar bills pass in other states, it could impair environmental progress by chilling investment in emissions-reducing technologies like hydrogen and carbon capture.

As is too often the case regarding energy policy, low- and fixed-income communities would likely be most affected by the provisions in H. 5424. According to the US Census Bureau, in 2023, 114,000 Rhode Island citizens lived in poverty. On top of that, a 2024 CNET survey found that 78% of adults are concerned about rising energy prices; 40% are using credit cards, borrowing, or utilizing on-bill payment plans to pay energy bills; and 24% are foregoing other essentials to pay energy bills.

Thank you again for the opportunity to provide comments on H. 5424. Please carefully consider the cost implications for families and small businesses in Rhode Island resulting from adopting the proposed legislation. We urge the Committee to give the bill an unfavorable recommendation.

Respectfully,



Marc Brown
Northeast Director
Consumer Energy Alliance
PO Box 118
Exeter, NH 03833-2782
mbrown@consumerenergyalliance.org