

May 20, 2025

Chairman Marvin L. Abney
Finance Committee for the RI
House of Representatives

RE: House Bill H-5317

Dear Honorable Chairperson Abney & Esteemed Finance Committee members.

My name is William J. Guertin, and I am the General Manager of the Clear River Electric & Water District (CREW), a quasi-municipal public power entity in northwestern Rhode Island serving approximately 4,900 electric customers and 2,200 water customers in the villages of Harrisville and Pascoag. CREW is **STRONGLY OPPOSED to House Bill # H-5317 and its Senate counterpart Bill # S-248** in their current forms because, if passed, they would be detrimental to our small entity and ultimately to our customers.

Specifically, House Bill # H-5317 is proposing to require any public utilities entity to pay fifty (50%) percent of the costs associated with relocation of utilities in federally funded highway construction projects conducted pursuant to RI General Laws Section 24-8.1-2. RI General Laws Section 24-8.1-2 pertains to the relocation of utility facilities for highway construction projects that are federally funded so requiring a Not-For-Profit utility entity such as CREW to contribute to a project that is already fully funded, will interfere with the outside funding that defines the overall project. Such costs would place an undue and unfair burden on CREW as well as other small utility entities. Mandating this financial burden on CREW defies common sense because federally funded projects have already been adequately funded to RIDOT.

In addition, as a small municipal utility, CREW's electric utility is regulated by the Rhode Island Public Utilities Commission (RIPUC) and CREW's water utility is required to file and regularly update their Clean Water Infrastructure Replacement Plan ("CWIRP"). The CWIRP is essentially the utilities stated short- and long-term debt plans to maintain a vibrant, well-functioning system

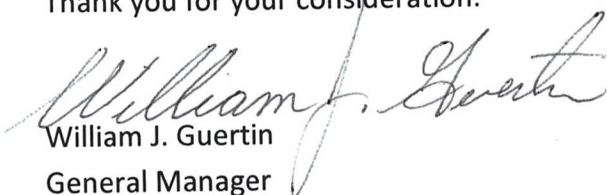
and identify financing intentions and options, including bonding, grants, incentivized loans, as well as the other resources available to the utility. To satisfy both the PUC and the CWIRP, CREW must define its capital projects and their funding/debt obligations well in advance, thus placing this 50% funding requirement to federally funded projects would be a complete detriment to the CREW's funding for capital projects. This law totally circumvents the autonomy of the utility to determine its own path without good cause.

There is no RI Public utility that funds or operates the way that RIDOT has been employing the dictates of RI General Law Title 24. Highways §24-8.1-2§24-8.1-2, nor should any public utility be required to.

Whereas, at a time when both federal and state regulatory requirements have driven the cost of producing and delivering safe and healthful public water supply spiraling upwards, the legislature should be mindful of ways that can easily control and lessen those costs. RI General Law §24-8.1-2 conversely and unnecessarily exposes the public utilities such as CREW and other small RI public water systems to unexpected and unwarranted expense. These burdensome expenses would ultimately be passed to our ratepayers who are already facing continued inflationary expenses.

CREW hereby fully OPPOSES House Bill H5317 and its Senate counterpart S248 in its current form which it is proposing to only pay fifty percent (50%) of the reasonable amount for relocation of utilities commencing with highway projects conducted under RI General Laws, Section 24-8.1-2 as such highway projects apply to public electric power, public water and sewer utilities. On behalf of CREW, I urge this Committee to oppose House Bill # H-5317 and its Senate counterpart Bill # S-248, and remove any potential burdensome imposition of unexpected and unnecessary costs to our local public utilities.

Thank you for your consideration.

A handwritten signature in cursive script, reading "William J. Guertin". The signature is written in dark ink and is positioned above the printed name and title.

William J. Guertin

General Manager

Clear River Electric and Water District