

March 4, 2026

House Finance Committee  
Rhode Island State House  
82 Smith Street  
Providence, Rhode Island 02903

*Testimony in opposition to Budget Article, Sections 3, and 8*

Dear Chair Abney and Finance Committee Members,

I am Theo Pfeiffer, I live in Cranston, and I represent the Rhode Island Student Climate Coalition. I am submitting this testimony in opposition to Sections 3 and 8 in Article 11 of the proposed Fiscal Year 2027 Budget. I oppose Section 8 because of how it will adversely affect the state's ability to meet the goals laid out in the Act on Climate. The Act on Climate is a landmark piece of climate legislation for our state, and Section 8 will make meeting its goals no longer viable. Section 3 caps energy efficiency programs, slashing funding for improving energy efficiency. What does energy efficiency amount to? Energy efficiency is the most cost-effective way to reduce energy demand, and therefore energy costs.

Taken in tandem, Section 3 and Section 8 are incredibly dangerous for two reasons. First, they both uphold two critical myths. (1) Renewables development and efficiency programs are why energy bills are so high, and (2) an outdated, polluting, and expensive fuel, natural gas, is the only alternative. Of course, both myths are easily busted. Second, these budget articles continue playing into the hands (and feeding the pockets) of Rhode Island Energy—the for-profit company which has a long history of lobbying against environmental legislation while profiting off a state that will not hold them accountable to RI ratepayers.

So, this is not just a climate issue. This is an affordability crisis. Despite what the governor says, though, it will not be solved by staying on natural gas (per Sec. 8) or cutting energy efficiency spending (per Sec. 3).

Myth 1: natural gas is a cheap and stable alternative to renewables. Here are some facts:

- Between 2024 and 2025, the cost of natural gas increased by \$500 million due to an increase in natural gas prices.
- When Russia invaded Ukraine in 2022, American ratepayers paid the cost, accruing \$100 billion in excess energy costs over 16 months.

When the governor claims he's saving ratepayers money in this budget proposal, he's only accounting for the savings of bailing on the forward-thinking policies of climate advocates. What he is not accounting for is the alternative: volatile and expensive (not to mention dirty) natural gas. So, myth 1 is dispelled: natural gas is not stable, and it is not cheap.

Myth 2: renewables and efficiency measures are the real cost for ratepayers. Here are some more facts:

- Per a report by McKee's administration from last year, only between 14-17% of energy bills comes from supporting renewable energy development.
- When RI Energy's parent company, PPL, announced its goal to increase shareholder dividends by 8%, RI Energy announced plans for a corollary rate hike—increasing rates by over 20%.
- RI Energy's 2023 *profit* of \$42.5 million was more than enough to cover the annual cost of the energy efficiency measures that the governor is now trying to cut.

When the governor and RI Energy tell you that your rates are high as a result of renewables and efficiency programs, it is simply not true. Renewables development is not most of what you pay for when your energy bill comes, and RI Energy banks enough extra cash—profit—to make up what the governor's budget slashes.

To me that doesn't sound like a utility or a governor that has their constituencies at heart. Rhode Island Energy does not want to save us money; they want to set prices as high as possible without regulation to keep their parent company's shareholders happy. The governor's budget lets this happen by upholding myths about renewable energy and the energy bills we get in the mail: (1) that renewables are too expensive and (2) that natural gas is a cheaper alternative. I hope I've made it clear that neither of these are true.

I haven't mentioned, in this whole testimony, the climate concern. Act on Climate's goals will not be reached if we abandon the renewable energy standard, and the recently published climate action strategy relies on efficiency measures. Further, increased reliance on natural gas infrastructure, in addition to being expensive, will continue to make public health risks of the kind we've seen for decades at and around the port of Providence.

We need to hold Rhode Island Energy accountable, for ratepayers and for the planet. This budget does the opposite. We will likely not solve the energy affordability crisis if we pass this budget, and we will abandon all possibility of achieving the goals of the Act on Climate.

Sincerely,

Theo Pfeiffer – RI Student Climate Coalition

Cranston – House District 18