



*Distinctive Communities
Powerful Alliance*

May 6, 2026

The Honorable Marvin L. Abney, Chair
House Finance Committee
Rhode Island House of Representatives
82 Smith Street
Providence, RI 02903

RE: HOUSE BILL 7127 BUDGET AMENDMENT – ARTICLE 11, SECTION 10- VIRTUAL NET METERING

Chair Abney and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, thank you for the opportunity to provide testimony on House Bill 7127, specifically the amended provisions within Article 11 relating to net metering.

The League's role in energy policy discussions is guided by a consistent principle: ensuring that municipalities are positioned to serve and protect their residents and taxpayers first and foremost. Our member communities are responsible for balancing local budgets, maintaining essential services, and advancing sustainability goals, all while managing cost impacts that ultimately fall on Rhode Island ratepayers.

While the amendment contains several detailed technical provisions, our testimony is focused on the practical impact those provisions may have on municipalities and the ratepayers they represent.

We recognize that the amended language before you reflects a welcome shift from the originally submitted budget article. In particular, the establishment of a voluntary, one-time election for eligible net-metering systems to opt into a fixed credit rate of \$0.19 per kilowatt-hour, coupled with a defined escalation factor and a 25-year term, introduces a level of predictability that was not previously contemplated.

From a municipal perspective, predictability and transparency are critical. Cities and towns often participate in or host renewable energy projects, and the ability to understand long-term revenue streams is an important factor in project planning and financial decision-making. The framework outlined, particularly the fixed rate, annual escalator, 25-year term, and irrevocable election, enhances predictability, but also underscores the importance of carefully evaluating long-term impacts.

With respect to remote net metering capacity, the amendment reduces the maximum aggregate capacity of ground-mounted eligible systems from 275 MWAC to 125 MWAC. The League notes that approximately 92.2 MWAC of this capacity has already been utilized, leaving limited runway for additional project development under the proposed cap. While we understand the intent to recalibrate program capacity, we respectfully suggest that a revised threshold of 200 MWAC would better balance program participation with long-term system planning needs. Such an adjustment would provide additional flexibility to accommodate future projects while maintaining appropriate program controls and help ensure continued viability of the project pipeline.

At the same time, any policy establishing long-term financial commitments in the energy sector must be evaluated for its broader ratepayer implications. Municipalities are not only program participants; they also represent a significant share of the ratepayers who ultimately bear system costs. Ensuring that these programs remain balanced, sustainable, and equitable is essential.

More broadly, we reiterate that the League's focus is not on advancing any particular industry, but on ensuring that public policy decisions prioritize the needs of Rhode Island's communities. While private sector partners play an important role in advancing renewable energy development, our responsibility remains advocating for policies that protect municipalities and the residents they serve.

Thank you for your attention to this matter. The League appreciates the opportunity to offer its perspective and looks forward to collaboration with the General Assembly and stakeholders to ensure any final policy strikes an appropriate balance between supporting renewable energy development and safeguarding the long-term interests of Rhode Island's cities and towns.

Sincerely,

A handwritten signature in cursive script, appearing to read "Randy R. Rossi".

Randy R. Rossi
Executive Director

Cc: Honorable Members of House Finance Committee