

Testimony Opposing H7126 Amendment 7, Article 11, Section 7, 8, 11

Dear Chair Abney and committee members:

If your goal is to win votes with a solution that sounds good but actually makes the situation worse for ratepayers—this is the plan for you.

If your goal is to boost profits for RI energy—this is the plan for you.

But if your goal is to protect your constituents from soaring electric rates, you should reject the governor's budget. It is a quick fix that doesn't fix anything. In fact, it makes matters worse.

Let's start with the basic premise of the governor's budget: Climate programs are the cause of high electric rates. This is not true. The real cause is our overreliance on natural gas. A few facts will make this clear:

* States with the highest reliance on natural gas tend to have the highest electric rates. Rhode Island has the second-highest reliance on natural gas, and the fourth-highest electric rates.

* Of the electricity produced in Rhode Island, 13% is produced with clean energy and 87% is produced with natural gas. So which one do we need to be worried about: the gerbil or the elephant?

* Prices for natural gas are going up dramatically, while prices for clean energy are coming down. Which one should Rhode Island hitch its wagon to?

* 100% of the natural gas we use is imported from distant regions. Clean energy is produced right here in Rhode Island. So do we want to send all of our energy dollars to Texas, Pennsylvania, and Canada? Or do we want to keep that money here to create jobs in Rhode Island and fuel the local economy?

There's a lot of pressure on legislators to accept the governor's budget because this is an election year, and no one wants to vote against a proposal that might save voters a few dollars. But I ask you this: Is it your job to pander to constituents, or to protect their interests?

Passing this budget will hurt your constituents both financially and environmentally.

I want to leave you with two analogies:

1) Playing in Traffic

This bill will save your constituents a few dollars today, while locking them into an energy future that will cause rates to soar for years to come. Supporting this bill is like offering voters a \$20 bill, then throwing it into traffic. They'll run after the \$20....then get flattened by a bus.

2) The Washington Bridge

Ten years ago, we knew our highway bridges were in terrible repair and that maintenance was long overdue. But we opted to look the other way, because it's always good politics to save voters money right now. Ignoring the problem saves voters some money.....But then the Washington Bridge nearly collapsed, and we had to pay \$1 billion to tear it down and build a new one, causing four years of traffic jams that are choking sectors of the economy.

Now we're in the same situation, except this time the issue is soaring electric rates. Once again, we can look the other way and save some money right now. You can save voters a few dollars right now by cutting climate programs that will control rates by reducing our dependence on natural gas.

So I ask you: How did that approach work with the Washington Bridge?