

## STATE OF RHODE ISLAND

## **Public Utilities Commission**

Chairman Ronald T. Gerwatowski Commissioner Abigail Anthony

89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500

May 20, 2025

The Honorable Stephen P. Casey House Municipal Government & Housing Committee State House Providence, Rhode Island 02903

Re: House Bill 5687 – Capital City Underground Utility Initiative

Dear Chair Casey:

The Public Utilities Commission (PUC) respectfully submits these comments on House Bill 5687 relating the Energy Facility Siting Act, and specifically, amendments to the capital city underground utility initiative. The PUC is neutral as to the policy objective of the legislation. The PUC was consulted by the cities in the drafting of the cost responsibility provisions and, as drafted, offers its opinion that the provisions appropriately allocate incremental costs, unrelated to the adequacy of the utility service, to the cities.

The Cities of Providence and East Providence have requested that The Narragansett Electric Company construct portions of the transmission line across the Seekonk River to the Manchester Street substation via India Point Park underground. The Energy Facility Siting Board previously approved a lower cost above-ground configuration for safe and reliable service. Underground construction would provide the same service at a higher cost. The cities propose using deferred electric customer credits to cover these incremental costs. If these credits are insufficient, the remaining costs would be charged to the cities' residents' electric bills. The current bill requires Narragansett Electric to treat the incremental investment as a customer contribution, excluded from their profit.

As drafted to carry out the objective, the bill strikes a balance between ratepayers in Providence and East Providence with the general body of ratepayers, avoiding cross-subsidization for unnecessary costs unrelated to reliable transmission service, and avoiding undue profits for Narragansett Electric. Should the language relating to cost responsibilities be amended in a way that causes subsidization by general ratepayers, however, the PUC would change its opinion and likely oppose such changes.

Please don't hesitate to contact me with any questions at <a href="mailto:cynthia.wilsonfrias@puc.ri.gov">cynthia.wilsonfrias@puc.ri.gov</a> or 401-780-2147.

Sincerely,

Cynthia G. Wilson-Frias Chief of Legal Service