

May 20, 2026

The Honorable V. Susan Sosnowski
Chairwoman, Senate Environment and Agriculture Committee
Rhode Island State House
Providence, Rhode Island 02908

RE: S-3080 – Relating to Public Utilities & Carriers – Utility Thermal Energy Network & Job Act

Dear Chairwoman Sosnowski:

On behalf of Rhode Island Energy, I write in **partial support** of S-3080, but also to highlight portions of the bill that need to be addressed for the legislation to achieve state policy goals in a safe, reliable, and affordable manner. We thank the bill sponsors, including Chairman Britto, and key stakeholders (notably, the Rhode Island AFL-CIO, the Rhode Island Building and Construction Trades Council, and Climate Jobs RI) for their willingness to engage in productive discussions and consider constructive feedback. **Our Company looks forward to continued collaboration on S-3080 in the weeks ahead.**

Rhode Island Energy provides essential energy services to more than 770,000 customers across the state through the delivery of electricity and natural gas. Our team of 1,300+ union and non-union employees is dedicated to helping Rhode Island customers and communities thrive, while supporting the transition to a cleaner energy future in a safe, reliable, and affordable manner.

In certain use cases, Thermal Energy Networks may offer a potential alternative heating solution for customers. However, more work needs to be done to ensure that these systems can be built in a cost-effective and affordable manner without jeopardizing the safe and reliable delivery of heat vital to public and economic wellbeing across the Ocean State. For example:

- **Responsible ownership, operation, and regulatory oversight of Thermal Energy Networks are critical:** these are complicated systems that require careful design and maintenance to ensure they are safe, reliable, and affordable.
- **The ownership and operation of Thermal Energy Networks should be subject to oversight by the Public Utilities Commission (PUC) and, furthermore, should be owned and operated by regulated public utilities to ensure that reliability objectives are met, customers are kept safe and warm, and that the rates charged to participants are just and reasonable.** It is difficult to imagine a world in which multiple thermal energy networks, each owned and operated by a different entity, are placed underground to serve the same set of end use customers. It would be akin to having multiple sets of electric poles and wires running down your street or investing in multiple natural gas pipeline networks to serve a single neighborhood. Such outcomes would be highly inefficient, uneconomic, threaten public safety and energy reliability, and jeopardize achievement of important public policy goals. The regulated utility model exists, in part, to guard against those outcomes. If Thermal Energy Networks are to be advanced in earnest, Rhode Island must leverage the expertise and access to low-cost capital that regulated public utilities can bring to bear – all of which is subject to stringent state

regulatory oversight to ensure that the public interest, including affordability and safety, is protected.

- While Rhode Island Energy is open to partnering with municipalities or state agencies in the study and implementation of thermal energy network pilots, those systems must be within the purview of public utilities.
- Relatedly, S-3080 imposes mandates that must be funded. The language in the bill requiring utilities to endeavor to secure available non-ratepayer funding, such as federal and state grants makes good sense. However, the requirement that the utilities bear this expense to the extent they cannot demonstrate that they pursued such funding “fully” is amorphous and risks unfairly subjecting utilities to costs that they are required to incur by the bill.
- While Rhode Island Energy remains hopeful that the feasibility studies and pilot projects contemplated by S-3080 will demonstrate that Thermal Energy Networks represent opportunities for affordable clean energy, that is not a foregone conclusion. S-3080, in its present form, has the General Assembly declaring that thermal energy networks are “essential infrastructure”, and thus presupposes the results of the studies.
- Similarly, the same section of the bill requires utilities to maximize investments in thermal energy networks, but investments in any technology need to be made intelligently and critically to ensure cost effectiveness. Rhode Island Energy, speaking for itself, will actively pursue this technology if its potential is demonstrated in the studies and if it is supported with appropriate regulatory conditions.
- The timing of the PUC regulatory process must be modified to run from the end of the feasibility studies, or the regulations will not be informed by the results of those studies.
- The proposed Thermal Energy Network Taskforce should provide for balanced representation of key stakeholders, including relevant state agencies, public utilities, and labor, to ensure that the Taskforce’s report accounts for the broad array of considerations that will ultimately drive long-term success in this space.

With these and other important modifications, S-3080 may present a viable and measured pathway whereby Rhode Island can study, test, and implement this technology in a way that advances energy, economic, and environmental policy goals in a responsible and cost-effective manner. However, without them, we risk missing the opportunity to maximize the prospects of success for Thermal Energy Networks in Rhode Island – or worse, drive costly outcomes that hinder energy affordability or jeopardize the safe and reliable delivery of heat that many Ocean State families and businesses depend upon. If we are going to implement this technology in our state, it must be done by regulated owners and operators whose mission is to provide safe, reliable, and economical energy to Rhode Islanders.

In closing, Rhode Island Energy remains mindful of ensuring that local homes and businesses continue to have safe, affordable, and dependable energy services they can rely on as our

Nicholas S. Ucci
Director of Government Affairs
Rhode Island Energy

280 Melrose Street
Providence, Rhode Island 02907
nsucci@rienergy.com



systems transition to accommodate lower-carbon fuels and technologies. *With continued collaboration and modification, S-3080 may help Rhode Island achieve these policy goals.*

Thank you for the opportunity to comment on this proposed legislation.

Respectfully,

A handwritten signature in blue ink, appearing to be "NSU", written over a blue circular scribble.

Nicholas S. Ucci
Director of Government Affairs

CC: The Honorable Members of the Senate Environment and Agriculture Committee
The Honorable Robert Britto, Rhode Island Senate