



February 10, 2026

The Honorable Louis P. DiPalma, Chairman
Senate Finance Committee
State House
Providence, RI 02903

Re: H.7027, Article 11, Sections 3 - 11

Dear Chairman DiPalma,

The undersigned members of the Rhode Island Business Coalition are writing regarding Article 11, Sections 3 – 11 of the Governor’s Fiscal Year 2027 budget submission. First, we would like to thank Governor McKee for proposing initiatives to address the rising costs of energy in our state.

Energy costs are a significant and rising portion of most businesses budgets and Rhode Island is a high cost state by any measure. According to the US Energy Information Administration as of September 2025, Rhode Island had the highest commercial rate for natural gas in New England and 2nd highest in the country at \$22.11 per thousand cubic feet.

In addition, on a kWh basis Rhode Island had the largest increase in commercial electric pricing between 2023 and 2024 when the rate went from 19.27 to 22.97 and was the second highest rate in the nation behind Hawaii.

The Office of Management and Budget Executive Summary states that state programs and taxes now account for approximately 25 percent of consumers’ energy bills. We believe it is important that these programs be analyzed to determine their efficacy and impact in helping to transition to clean energy and a more efficient energy distribution system.

One issue that we have concerns regarding is the changes to the net metering program. Several of our members, many of whom are among the state’s largest employers, are engaged in these programs to reduce their energy costs. The program has also led to significant investment and creation of clean energy projects across our state.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

We are supportive of the Executive Order the Governor signed yesterday which appears to recognize the importance of the net metering program and calls for further analysis and recommendations by the Office of Energy Resources (OER). The Coalition looks forward to seeing an amended budget article later in the session.

Our state enacted the most aggressive climate transition of any state in the country. Our organizations recognize the critical importance of addressing climate change as an environmental and economic issue for our state and country. However, we also believe strongly that policymakers must consider the realities of a changing landscape.

As a state we need to recognize the challenges presented in the recent Climate Action Strategy Report, which lays out the changes needed to meet the state's ambitious climate goals. It is important to continue moving forward to reach the targets outlined in the Act on Climate, however we must also keep in mind residents and businesses are facing rapidly increasing energy costs, making it difficult to thrive.

Sincerely,

Associated Builders and Contractors – Rhode Island Chapter

Association of Independent Colleges and Universities of Rhode Island

East Greenwich Chamber of Commerce

Hospital Association of Rhode Island

Rhode Island Small Business Economic Summit Regulations Subcommittee

Rhode Island Small Business Summit Tax and Budget Committee

Rhode Island Staffing Association

cc. Senate Finance Committee members