

DATE: May 11, 2026
FROM: Kevin O'Neill, Citizens Climate Lobby (RI chapter)
TO: Senate Finance Committee <SenateFinance@rilegislature.gov>
SUBJECT: Testimony opposing S2764

Dear Chair DiPalma and members of the Committee,

I live in Cumberland and am writing as the chair of the Electrification Action Team of the Rhode Island chapter of Citizens Climate Lobby. Like most residents of this state, we want to preserve a livable world for our children and grandchildren, and we think it is important to achieve the goals of the Act on Climate. At the same time, like all residents of this state, we want to make living here more affordable. It is in that spirit that we respond to S 2764.

There are some things in the bill with which we agree:

- We know that large hydro and nuclear resources can provide electricity with low greenhouse gas emissions, comparable to if not lower than some wind and solar projects. So, we support the relaxation of the Renewable Energy Standard (RES), to allow clean energy credits from nuclear and hydro resources to complement renewable energy credits (RECs) within a reasonable limit.
- We support allowing more RECs to be banked, and allowing them to be banked for up to three years.
- We support reducing the price of Alternative Compliance Payments for renewables, but we believe \$40 would be too low and suggest \$50 instead.

We strenuously object to revising downward the rate at which renewable and other clean resources must be matched against electricity sales or otherwise moving the 100% renewable/clean target beyond 2033. We also object to diverting any fraction of alternative compliance payments to rate relief instead of using that money to develop more renewable energy. Reducing ambition in those ways would make it impossible to achieve the 2030 target of the Act on Climate and would keep us too exposed to the risk of sudden spikes in fossil energy prices.

We recommend that credits from existing renewables, large hydro, and nuclear be limited to 20% of the RES obligation in any year, as recently proposed in H8519. And the RES should retain the original percentage targets for the combination of renewables + nuclear + large hydro:

- 41.0% by 2026
- 48.0% by 2027
- 55.5% by 2028
- 63.5% by 2029
- 72.0% by 2030

We understand the importance of reducing the cost of complying with the RES, but we do not believe it is necessary to do so by reducing those percentages.

To achieve the 41% target for 2026, Rhode Island Energy will need to acquire roughly 0.3 million more renewable/clean energy credits than in 2025; and to achieve 48% in 2027 they will need roughly 0.6 million more credits than in 2025. When Revolution Wind is fully operational, that project will, by itself, 1.6 million credits to Rhode Island Energy. So, the company will have a substantial surplus of RECs available to bank or sell. In other words, the company should have no trouble achieving the RES existing targets up to 2030. By selling RECs from Revolution Wind, and by substituting lower-priced clean energy credits for a fraction of new renewable credits, the cost of RES compliance should be substantially reduced.

We are very aware of the obstacles to renewable generation thrown up by the Trump administration, and we agree that this puts in jeopardy the achievement of 100% clean electricity by 2033. However, there is no need to give up on that target in 2026. We recommend that the legislature, for at least the next two years, stick to the “100% by 2033” target, study how to compensate (affordably) for current obstacles, and in 2028 decide if that target really needs to be pushed off a year or more.

We think it is unlikely the 100% clean/renewable target will need to be pushed out as far as 2040. Rhode Island’s next offshore project will be able to take advantage of domestic resources built to service Revolution Wind and Vineyard Wind or currently supporting the much larger Coastal Virginia Offshore Wind project or that might be supporting similar projects in Canada. In other words, less work will be needed to establish the supply chain and workforce for the next projects.

We think the price of achieving the 100% clean/renewable target will continue to drop due to political, commercial, and technological developments over the next few years. The politically generated delays and price increases that offshore developers currently face are likely to abate over the next few years, particularly if our state and region think creatively about how to compensate. The prices of solar power and batteries are continuing to decline rapidly, and offshore wind technology continues to mature globally.

In 2020 when the Brattle Group submitted its report on the Road to 100% Renewable Electricity, they said it was important to “Account for load met by behind-the-meter generation, as well as metered load”. Net metering has grown substantially since the current RES trajectory was established, and by excluding that behind-the-meter generation we are underestimating the progress being made toward that 100% target. This undercounting will grow more severe if Rhode Island follows the lead of many other states and permits electricity customers to install portable solar systems.

In summary:

- Taking behind-the-meter generation into account when measuring progress toward the 100% target will reduce the number of renewable and clean credits that must be purchased by electricity suppliers.
- By allowing less-expensive credits from nuclear, large hydro, and old renewables to substitute for some fraction of the RECs heretofore required, the average cost of a credit will be reduced
- The surge of new renewable credits entering the market from Revolution Wind and Vineyard wind should have an additional price suppressing effect on the cost of RECs for the next few years.
- These changes make it unnecessary to slow down progress over the next few years toward our 100% clean electricity target. We can achieve the targets set through 2030 at lower cost than some have projected based on previous trends.
- By sticking to the currently legislated trajectory, we are continuing to reduce our vulnerability to fossil fuel price shocks
- By 2028 we should have a better perspective on the feasibility of achieving 100% clean electricity sales by 2033, and it is prudent to wait until 2028 before adjusting that target date.

Accordingly, we encourage the sponsors to go back to the drawing board, to discuss with Rep. Carson and others the appropriate limits on the substitution of clean energy credits for renewable energy credits, and to work with the Office of Energy Resources to develop a plan for measuring progress toward 100% clean electricity consumption. The current focus of the RES on measuring and incentivizing compliance toward a 100% clean electricity sales target is appropriate. But we think the legislature should take the whole picture into account when contemplating any extension of the 2033, 100% clean target date.