



194 Smith Street, Providence, Rhode Island 02908-4914
 Telephone: (401) 751-7100 Fax: (401) 331-8533
www.RhodeIslandAFLCIO.org • info@RIAFLCIO.com

Rhode Island Works Best When We Say **UNION YES.**

May 12, 2026

The Honorable Louis P. DiPalma
 Chair, Senate Committee on Finance
 Rhode Island State House
 Providence, RI 02903

RE: *Opposition as written for amended H-7127: An Act Relating to Making Appropriations for the Support of the State for the Fiscal Year Ending June 30, 2027 – Article 11, Section 10*

Support for S-3272: An Act Relating to Public Utilities and Carriers – Renewable Energy Standard

Support for S-2764 SUB A: An Act Relating to Public Utilities and Carriers – Renewable Energy Standard

Dear Chairman DiPalma and Members of the Committee,

On behalf of the 80,000 union members of the Rhode Island AFL-CIO and our affiliated local unions, I write in opposition, as written, to the amended H-7127: Article 11, Section 10 Net Metering & Sections 7 and 8 Renewable Energy Standards. I also write in support of Senate Bill 3272, introduced by Chairman DiPalma and Senate Bill 2764 SUB A, introduced by Whip Tikoian.

Article 11, Section 10 - Net Metering:

While we appreciate the Governor’s willingness to engage with impacted parties, including organized labor and industry stakeholders, we remain concerned with the proposed amendment to H-7127 - Article 11, Section 10 which reduces the capacity limitation for new net-metering projects from 275 MW to 125 MW. With 92.186 MWs already in the queue, the RI AFL-CIO believes the proposed 125 MW cap may not be sufficient to support the continued growth of local clean energy development and the local jobs tied to those projects.

Virtual Net Metering projects play an important role in expanding local energy generation and helping stabilize long-term energy costs for municipalities, schools, public entities, and ratepayers. These projects support the development of in-state energy resources that reduce reliance on imported fuels and help create a more resilient and diversified energy system for Rhode Island. Maintaining a strong pipeline of local clean energy projects can provide both workforce benefits and long-term value through greater energy price predictability and local infrastructure investment.

Comparatively, S-3272 proposes a reduction in the capacity limitation for new net-metering projects from 275 MW to 225 MW. This 50 MW reduction is a far more reasonable change to a cap that was created just three sessions ago (2023 SB684-A / HB5853-A), and the RI AFL-CIO urges the committee to support this proposal, included in S-3272. We believe there is an opportunity to continue discussions around a framework that balances affordability concerns with the long-term economic, energy security, and workforce benefits these projects provide.

Patrick Crowley [President](#) • Karen Hazard [Secretary-Treasurer](#)
 Cheryl Masciarelli [Office Manager](#) • Autumn Guillotte [Political Director](#) • Erica Hammond [Legislative Director](#)



Article 11, Sections 7 and 8 - Renewable Energy Standard:

I write in opposition to the proposed changes to the Renewable Energy Standard (RES) included in the Governor's proposed amendment to H-7127 - Article 11, Sections 7 and 8. The Rhode Island AFL-CIO believes that we can both maintain the 2033 RES timeline and reduce costs to ratepayers, as proposed in S-2764 SUB A. This legislation (S-2764 SUB A), strikes the right balance between addressing ratepayer concerns, maintaining compliance with both the RES and the Act on Climate (AOC), and investing in good union jobs in the local energy sector.

Maintaining a strong RES supports long-term energy price stability by encouraging the development of local energy resources that are not tied to the volatility of regional fuel markets. Expanding in-state energy generation, including solar, storage, offshore wind, and other distributed resources, helps Rhode Island reduce its dependence on imported fuels while strengthening grid reliability and creating local economic opportunity, while protecting ratepayers from cost spikes.

Senate Bill 2764 SUB A preserves the state's RES mandate of 100% by 2033 while proposing core changes to the existing statute (RIGL 39-26) that would secure both short- and long-term ratepayer savings.

First, this proposal provides the utility with compliance flexibility by allowing up to 20% of obligations to be met with existing clean or zero-emission resources, including nuclear and large-scale hydropower. By expanding the pool of eligible clean energy resources you can create more opportunities for long-term contracts that can stabilize pricing and reduce volatility for ratepayers. Rhode Island has historically benefited from these types of agreements; for example, the Revolution Wind contract is priced at roughly 9 cents/ KWh, significantly below the average 28-32 cents/KWh residential customers pay today.

Additionally, S-2764 SUB A includes several reforms designed to reduce future compliance costs. It establishes a flat \$50.00 Alternative Compliance Payment (ACP) with no annual adjustment indexed to the consumer price index (CPI). By eliminating the CPI inflator, we can provide greater long-term cost certainty while aligning Rhode Island with neighboring states like Massachusetts and Connecticut.

The ACP effectively acts as a price ceiling for Renewable Energy Credits (RECs), lowering and stabilizing it can help reduce compliance costs during periods of market scarcity or elevated REC prices. Importantly, this bill preserves 100% of ACP payments for the Renewable Energy Fund housed at Rhode Island Commerce and used to support in-state renewable energy development.

Lastly, this bill allows for the banking of RECs for up to 3-years without a percentage CAP compared to 2-years with a CAP of 30%. This change gives utilities greater flexibility to purchase credits when prices are low and avoid passing sudden market prices onto ratepayers.

The Rhode Island AFL-CIO is committed to working collaboratively with the Administration, the General Assembly, and other stakeholders to identify practical solutions that preserve market stability, meet the Renewable Energy Standard, support economic growth, and provide meaningful relief for Rhode Island families.

Rhode Island has established itself as a national leader in clean energy development and climate action, and we believe maintaining that leadership remains important for both our economy and workforce. Preserving that leadership sends a strong signal that our state remains committed to supporting intentional investments in modern energy infrastructure, and the workforce that is helping shape the future of our economy.

For these reasons, the Rhode Island AFL-CIO remains opposed to the Governor's proposed amendments to H-7127 - Article 11: Sections 10, 7, and 8 and in support of Senate Bills 3272 and 2764 SUB A. We look forward to continuing to work with the Administration, the General Assembly, and stakeholders to find a reasonable path forward on this important issue. Thank you for your time and consideration, along with the opportunity to provide written testimony. Please do not hesitate to contact me at 401-751-7100 should you have any questions or require any additional information.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Erica A. Hammond', with a long, sweeping horizontal stroke extending to the right.

Erica A. Hammond
Legislative Director, Rhode Island AFL-CIO