

April 3, 2026

The Honorable Jacob Bissaillon  
Chairman, Senate Housing and Municipal Government Committee  
Rhode Island State House  
Providence, Rhode Island 02908

**RE: S-2905 – Relating to State Affairs & Government – Decarbonization Demonstration Initiative**

Dear Chairman Bissaillon:

On behalf of Rhode Island Energy, I write in **partial opposition** to S-2905, which would establish a geothermal feasibility loan program for large multi-unit residential buildings by providing no-interest loans for feasibility studies administered by the Office of Energy Resources in coordination with the Rhode Island Infrastructure Bank.

Rhode Island Energy provides essential energy services to more than 770,000 customers across the Ocean 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.

Respectfully, Rhode Island Energy notes the following:

- The bill establishes a state-administered feasibility loan program to support evaluation of geothermal conversions in large residential buildings. **The reference in § 42-6.3-5(c) allowing repayment through “existing state or utility clean-energy financing or incentive programs” is not necessary to achieve this objective and creates confusion regarding the role of utilities in the program.**
- Utility-administered clean-energy programs are funded by electric and natural gas customers through rates subject to Public Utilities Commission oversight. **Including such programs within a separate statutory loan program risks undermining or complicating the existing framework for utility-administered clean-energy incentives developed through extensive regulatory and stakeholder processes.**

Rhode Island Energy does not otherwise take a position on the proposed legislation and would not oppose the bill if the reference to utility programs in § 42-6.3-5(c) were removed.

Thank you for your consideration of these comments.

Respectfully,



Nicholas S. Ucci  
Director of Government Affairs

CC: The Honorable Members of the Senate Housing and Municipal Government Committee  
The Honorable Dawn Euer, Rhode Island Senate