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## STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2025**

#### AN ACT

## RELATING TO PUBLIC UTILITIES AND CARRIERS -- AFFORDABLE CLEAN ENERGY SECURITY ACT

<u>Introduced By:</u> Representatives Handy, Stewart, Boylan, Speakman, Fogarty, McGaw, Bennett, Casimiro, Kislak, and Potter

Date Introduced: February 28, 2025

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-31-10 of the General Laws in Chapter 39-31 entitled "Affordable

Clean Energy Security Act" is hereby amended to read as follows:

## 39-31-10. Offshore wind procurement.

(a) The electric distribution company, is hereby authorized and required to issue a request for proposals for at least six hundred megawatts (600 MW) but no greater than one thousand megawatts (1,000 MW) of newly developed offshore wind capacity no later than October 15, 2022 in collaboration with the Rhode Island office of energy resources, shall establish a schedule for competitive solicitations for the development and construction of offshore wind power projects, subject to review and approval by the commission. The electric distribution company shall conduct one or more competitive solicitations through a staggered procurement schedule developed with the office of energy resources; provided that, the schedule shall ensure that the electric distribution company enters into cost-effective long-term contracts for offshore wind energy generation equal to approximately twelve hundred megawatts (1200 MW) of aggregate nameplate capacity not later than March 30, 2029; and provided further, that individual solicitations shall seek proposals for no less than four hundred megawatts (400 MW) of aggregate nameplate capacity of offshore wind energy generation resources. A staggered procurement schedule shall be developed by the electric distribution company and the office of energy resources and shall specify that any subsequent solicitation shall occur within thirty-six (36) months of a previous solicitation. Proposals received

1	pursuant to a solicitation under this section shall be subject to review by the electric company
2	distribution company and the office of energy resources.
3	(b) The electric distribution company shall develop the each request for proposals (RFP)
4	in consultation with the Rhode Island office of energy resources and the Rhode Island division of
5	public utilities and carriers. Review of any proposed contract(s) resulting from this procurement
6	shall be conducted by the commission consistent with the requirements of this chapter. The request
7	for proposals shall require all bidders to provide, at a minimum, information on potential
8	environmental impacts through the submittal of an environmental and fisheries mitigation plan,
9	which shall include site and environmental data transparency requirements; a site layout plan and
10	maps that illustrate the location of all on-shore and offshore equipment and facilities and clearly
11	delineates the perimeter of the area in which offshore wind turbines will be placed; annualized
12	estimates for all economic benefits, including the specific in-state expenditures and employment
13	proposed during the development, construction, and operation and maintenance phases of the
14	project; a diversity, equity, and inclusion plan that, at a minimum, provides the bidder's proposed
15	strategy to enable access to employment and vendor opportunities for historically marginalized
16	communities; identification of Rhode Island vendors and other domestic offshore wind supply
17	chain opportunities associated with the project; and a plan outlining the bidder's intentions with
18	respect to the negotiation of a project labor agreement(s) to cover construction activities on a
19	proposed project. This information shall be incorporated in the procurement's evaluation and
20	scoring criteria.
21	(c) In reviewing responses to the request for proposals, the electric distribution company
22	shall give priority to offshore wind projects that:
23	(1) Provide employment and contracting opportunities for workers from disadvantaged
24	communities as defined by:
25	(i) The United States Council on Environmental Quality's climate and economic justice
26	screening tool or by an agency of this state using standards similar to those in the screening tool as
27	determined by the commission;
28	(ii) The United States Department of Commerce, Economic Development Administration's
29	economic distress criteria; or
30	(iii) The United States Department of Energy's disadvantaged community criteria.
31	(2) Provide community benefits, as determined preconstruction through a stakeholder
32	engagement process that includes disadvantaged communities and investments in fishing
33	communities;

(3) Provide financial contributions or technical assistance to support research, monitoring

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- 1 <u>and mitigation of impacts to wildlife, fisheries and habitats and the minimization of environmental</u>
- 2 impacts from the offshore wind power project and related transmission and interconnection
- 3 <u>infrastructure</u>;
- 4 (4) Provide economic benefits to the state, including using an offshore wind port located
- 5 <u>in this state;</u>

- 6 (5) Maximize the hiring of residents of this state;
- 7 (6) Maximize economic, employment and contracting opportunities for residents of this 8 state and all businesses in this state; and
- 9 (7) Provide ratepayer benefits including, but not limited to, enhanced electric reliability,
  10 resource adequacy including contributing to reducing winter electric price spikes and overall price
  11 impacts, avoidance of line loss and mitigation of transmission costs to the extent possible.
  - (b)(c) The electric distribution company, prior to its issuance, shall file the RFP as described in subsection (a) of this section with the commission solely for the purpose of soliciting public comment. The RFP shall be available for thirty (30) days and the commission shall accept written comment throughout that period, and it shall hold one public hearing to accept oral comments. Following the public comment period, the electric distribution company shall issue the RFP with no further action of the commission. Should the electric distribution company subsequently file a contract resulting from the RFP under subsection (c) of this section, or an alternative filing under subsection (d) of this section, it shall provide testimony responding to the public comments either indicating how it was incorporated into the final filing or was not germane to the procurement.

(e)(d) Unless the electric distribution company determines that the bids are unlikely to lead to contracts that comply with all of the requirements of this section and § 39-31-6, it shall select a project or projects during each solicitation for negotiating a contract that shall be conditioned upon approval by the commission. Negotiations shall proceed in good faith to achieve a commercially reasonable contract that meets the standards set forth in this chapter. Should the distribution company and the selected party agree to a contract, the contract shall be filed with the commission no later than March 15, 2024 sixteen (16) months after issuance of the solicitation, for commission approval. The commission shall review the contract and issue an order approving or disapproving the contract within one hundred twenty (120) days of the filing. If the parties are unable to reach agreement on a contract prior to March 15, 2024 sixteen (16) months after issuance of the solicitation, an unsigned copy noting which items have mutual agreement and providing each parties' preferred terms that remain in dispute shall be filed with the commission by the electric distribution company prior to that same date. The commission shall have the authority to evaluate

the unsigned contract consistent with the terms of this chapter, rule on any outstanding terms in dispute, and order the electric distribution company to execute the approved contract. In such case of a disputed contract, the commission has the discretion to extend the deadline for approval as needed to complete its review.

(d)(e) If the electric distribution company determines that the bids are unlikely to lead to contracts that meet all of the requirements of this section and § 39-31-6, it shall submit a filing to the commission together with testimony to explain why it should not be required to negotiate a contract. The commission shall review and rule on the filing within ninety (90) days, which review shall include soliciting input from the agencies required to provide advisory opinions to the commission, and public comment. If the electric distribution company fails to show that the bids are unlikely to lead to a contract that meets all the requirements of this section and § 39-31-6 the commission may order the utility to proceed with negotiations as set forth in subsection (c) of this section.

(e)(f) Long-term contracts shall require that developers of newly developed renewable energy resources will enter into a labor peace agreement with at least one bona fide labor organization either where such bona fide labor organization is actively representing employees providing necessary construction, operations and maintenance services for the newly developed renewable energy resource at the time of such agreement or upon notice by a bona fide labor organization that is attempting to represent employees who will provide necessary operations and maintenance services for the renewable energy system employed in the state. The maintenance of such a labor peace agreement shall be an ongoing material condition of any continuation of payments under the contract.

(f)(g) Developers of newly developed renewable energy resources shall pay each construction, operations and maintenance employees wages and benefits that are not less than the prevailing wage and fringe benefit rates at the journeyman level that are prescribed by the department of labor and training pursuant to chapter 13 of title 37, for the corresponding classification in which the employee is employed, and not less than the prevailing wage rates for employees for which there is no classification prescribed by the department of labor and training; provided that, a worker may be paid wages and benefits not less than the rate applicable to apprentices for the pertinent classification if:

- (1) The worker is a participant in an approved apprenticeship program; and
- (2) The approved apprenticeship program from which the apprentice is hired maintains a
   direct entry agreement with a certified pre-apprenticeship training program.
- 34 (g)(h) Solicitations by the electric distribution company shall reflect the requirements of

- 1 this section.
- 2 SECTION 2. This act shall take effect upon passage.

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## **EXPLANATION**

#### BY THE LEGISLATIVE COUNCIL

OF

## AN ACT

# RELATING TO PUBLIC UTILITIES AND CARRIERS -- AFFORDABLE CLEAN ENERGY SECURITY ACT

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