

1 **ARTICLE 7**

2 RELATING TO ENERGY AND THE ENVIRONMENT

3 SECTION 1. Section 39-2-1.2 of the General Laws in Chapter 39-2 entitled “Duties  
4 of Utilities and Carriers” is hereby amended to read as follows:

5 **39-2-1.2. Utility base rate — Advertising, demand-side management, and renewables.**

6 (a) In addition to costs prohibited in § 39-1-27.4(b), no public utility distributing or  
7 providing heat, electricity, or water to or for the public shall include as part of its base rate any  
8 expenses for advertising, either direct or indirect, that promotes the use of its product or service, or  
9 is designed to promote the public image of the industry. No public utility may furnish support of  
10 any kind, direct or indirect, to any subsidiary, group, association, or individual for advertising and  
11 include the expense as part of its base rate. Nothing contained in this section shall be deemed as  
12 prohibiting the inclusion in the base rate of expenses incurred for advertising, informational or  
13 educational in nature, that is designed to promote public safety conservation of the public utility's  
14 product or service. The public utilities commission shall promulgate such rules and regulations as  
15 are necessary to require public disclosure of all advertising expenses of any kind, direct or indirect,  
16 and to otherwise effectuate the provisions of this section.

17 (b) Effective as of January 1, 2008, and for a period of twenty (20) years thereafter, each  
18 electric distribution company shall include a charge per kilowatt-hour delivered to fund demand-  
19 side management programs. The 0.3 mills per kilowatt-hour delivered to fund renewable energy  
20 programs shall remain in effect until December 31, 2028. The electric distribution company shall  
21 establish and, after July 1, 2007, maintain, two (2) separate accounts, one for demand-side  
22 management programs (the "demand-side account"), which shall be funded by the electric demand-  
23 side charge and administered and implemented by the distribution company, subject to the  
24 regulatory reviewing authority of the commission, and one for renewable energy programs, which  
25 shall be administered by the Rhode Island commerce corporation pursuant to § 42-64-13.2 and shall  
26 be held and disbursed by the distribution company as directed by the Rhode Island commerce  
27 corporation for the purposes of developing, promoting, and supporting renewable energy programs.

28 During the time periods established in this subsection, the commission may, in its  
29 discretion, after notice and public hearing, increase the sums for demand-side management and  
30 renewable resources. In addition, the commission shall, after notice and public hearing, determine  
31 the appropriate charge for these programs. The office of energy resources, and/or the administrator

1 of the renewable energy programs, may seek to secure for the state an equitable and reasonable  
2 portion of renewable energy credits or certificates created by private projects funded through those  
3 programs. As used in this section, "renewable energy resources" shall mean: (1) Power generation  
4 technologies, as defined in § 39-26-5, "eligible renewable energy resources," including off-grid and  
5 on-grid generating technologies located in Rhode Island, as a priority; (2) Research and  
6 development activities in Rhode Island pertaining to eligible renewable energy resources and to  
7 other renewable energy technologies for electrical generation; or (3) Projects and activities directly  
8 related to implementing eligible renewable energy resources projects in Rhode Island.  
9 Technologies for converting solar energy for space heating or generating domestic hot water may  
10 also be funded through the renewable energy programs. Fuel cells may be considered an energy  
11 efficiency technology to be included in demand-side management programs. Special rates for low-  
12 income customers in effect as of August 7, 1996, shall be continued, and the costs of all of these  
13 discounts shall be included in the distribution rates charged to all other customers. Nothing in this  
14 section shall be construed as prohibiting an electric distribution company from offering any special  
15 rates or programs for low-income customers which are not in effect as of August 7, 1996, subject  
16 to the approval by the commission.

17 (1) The renewable energy investment programs shall be administered pursuant to rules  
18 established by the Rhode Island commerce corporation. Said rules shall provide transparent criteria  
19 to rank qualified renewable energy projects, giving consideration to:

- 20 (i) The feasibility of project completion;
- 21 (ii) The anticipated amount of renewable energy the project will produce;
- 22 (iii) The potential of the project to mitigate energy costs over the life of the project; and
- 23 (iv) The estimated cost per kilowatt-hour (KWh) of the energy produced from the project.
- 24 (c) [Deleted by P.L. 2012, ch. 241, art. 4, § 14.]

25 (d) The chief executive officer of the commerce corporation is authorized and may enter  
26 into a contract with a contractor for the cost-effective administration of the renewable energy  
27 programs funded by this section. A competitive bid and contract award for administration of the  
28 renewable energy programs may occur every three (3) years and shall include, as a condition, that  
29 after July 1, 2008, the account for the renewable energy programs shall be maintained and  
30 administered by the commerce corporation as provided for in subsection (b) of this section.

31 (e) Effective January 1, 2007, and for a period of twenty-one (21) years thereafter, each  
32 gas distribution company shall include, with the approval of the commission, a charge per deca  
33 therm delivered to fund demand-side management programs (the "gas demand-side charge"),

1 including, but not limited to, programs for cost-effective energy efficiency, energy conservation,  
2 combined heat and power systems, and weatherization services for low-income households.

3 (f) Each gas company shall establish a separate account for demand-side management  
4 programs (the "gas demand-side account") that shall be funded by the gas demand-side charge and  
5 administered and implemented by the distribution company, subject to the regulatory reviewing  
6 authority of the commission. The commission may establish administrative mechanisms and  
7 procedures that are similar to those for electric demand-side management programs administered  
8 under the jurisdiction of the commission and that are designed to achieve cost-effectiveness and  
9 high, life-time savings of efficiency measures supported by the program.

10 (g) The commission may, if reasonable and feasible, except from this demand-side  
11 management charge:

12 (1) Gas used for distribution generation; and

13 (2) Gas used for the manufacturing processes, where the customer has established a self-  
14 directed program to invest in and achieve best-effective energy efficiency in accordance with a plan  
15 approved by the commission and subject to periodic review and approval by the commission, which  
16 plan shall require annual reporting of the amount invested and the return on investments in terms  
17 of gas savings.

18 (h) The commission may provide for the coordinated and/or integrated  
19 administration of electric and gas demand-side management programs in order to enhance the  
20 effectiveness of the programs. Such coordinated and/or integrated administration may after March  
21 1, 2009, upon the recommendation of the office of energy resources, be through one or more third-  
22 party entities designated by the commission pursuant to a competitive selection process.

23 (i) Effective January 1, 2007, the commission shall allocate, from demand-side  
24 management gas and electric funds authorized pursuant to this section, ~~an amount not to exceed~~  
25 three percent (3%) of such funds on an annual basis for the retention of expert consultants, and  
26 reasonable administration costs of the energy efficiency and resources management council  
27 associated with planning, management, and evaluation of energy-efficiency programs, renewable  
28 energy programs, system reliability least-cost procurement, and with regulatory proceedings,  
29 contested cases, and other actions pertaining to the purposes, powers, and duties of the council,  
30 which allocation may by mutual agreement, be used in coordination with the office of energy  
31 resources to support such activities.

32 (j) Effective January 1, 2016, the commission shall annually allocate from the  
33 administrative funding amount allocated in subsection (i) from the demand-side management  
34 program as described in subsection (i) as follows: forty percent (40%) for the purposes identified

1 in subsection (i) and sixty percent (60%) annually to the office of energy resources for activities  
2 associated with planning, management, and evaluation of energy-efficiency programs, renewable  
3 energy programs, system reliability, least-cost procurement, and with regulatory proceedings,  
4 contested cases, and other actions pertaining to the purposes, powers, and duties of the office of  
5 energy resources. [The office of energy resources and the energy efficiency resource management](#)  
6 [council shall have exclusive authority to direct the use of these funds.](#)

7 (k) On April 15, of each year, the office and the council shall submit to the governor, the  
8 president of the senate, and the speaker of the house of representatives, separate financial and  
9 performance reports regarding the demand-side management programs, including the specific level  
10 of funds that were contributed by the residential, municipal, and commercial and industrial sectors  
11 to the overall programs; the businesses, vendors, and institutions that received funding from  
12 demand-side management gas and electric funds used for the purposes in this section; and the  
13 businesses, vendors, and institutions that received the administrative funds for the purposes in  
14 subsections (i) and (j). These reports shall be posted electronically on the websites of the office of  
15 energy resources and the energy efficiency and resources management council.

16 (l) On or after August 1, 2015, at the request of the Rhode Island infrastructure bank, each  
17 electric distribution company, except for the Pascoag Utility District and Block Island Power  
18 Company, shall remit two percent (2%) of the amount of the 2014 electric demand-side charge  
19 collections to the Rhode Island infrastructure bank.

20 (m) On or after August 1, 2015, at the request of the Rhode Island infrastructure bank, each  
21 gas distribution company shall remit two percent (2%) of the amount of the 2014 gas demand-side  
22 charge collections to the Rhode Island infrastructure bank.

23 (n) Effective January 1, 2022, the commission shall allocate, from demand-side  
24 management gas and electric funds authorized pursuant to this section, five million dollars  
25 (\$5,000,000) of such funds on an annual basis to the Rhode Island infrastructure bank. Gas and  
26 electric demand-side funds transferred to the Rhode Island infrastructure bank pursuant to this  
27 section shall be eligible to be used in any energy efficiency, renewable energy, [clean transportation,](#)  
28 [clean heating, energy storage,](#) or demand-side management project financing program administered  
29 by the Rhode Island infrastructure bank notwithstanding any other restrictions on the use of such  
30 collections set forth in this chapter. The infrastructure bank shall report annually to the commission  
31 within ninety (90) days of the end of each calendar year how collections transferred under this  
32 section were utilized.

33 [\(o\) Effective January 1, 2023, the commission shall allocate from demand-side](#)  
34 [management gas and electric funds authorized pursuant to this section, six million dollars](#)

1 (\$6,000,000) of such funds on an annual basis to the Rhode Island office of energy resources, on  
2 behalf of the executive climate change coordinating council, for climate change-related initiatives.  
3 The executive climate change coordinating council shall have exclusive authority to direct the use  
4 of these funds. The office of energy resources may act on behalf of the executive climate change  
5 coordinating council to disburse these funds.

6 (i) The gas and electric demand-side funds allocated pursuant to 39-2-1.2(o) shall be used  
7 for any energy efficiency, renewable energy, clean transportation, clean heating, energy storage,  
8 demand-side management, or other programs and investments that support the reduction of  
9 greenhouse gases consistent with the 2021 Act on Climate. Funds may also be used for the purpose  
10 of providing the financial means for the council to purchase materials and to employ on a contract  
11 or other basis expert consultant services, expert witnesses, and/or other support services necessary  
12 to advance the requirements of the act on climate.

13 (ii) The Rhode Island executive climate change council shall report annually to the  
14 governor and general assembly within one hundred and twenty (120) days of the end of each  
15 calendar year how the funds were used to achieve the statutory objectives of the 2021 act on climate.

16 (iii) The office of energy resources is authorized and may enter into contracts with third-  
17 party entities for the administration and/or implementation of climate change initiatives funded by  
18 this section.

19 (iv) There is hereby established a restricted receipt account in the general fund of the state  
20 and housed in the budget of the department of administration entitled “executive climate change  
21 coordinating council projects.” The express purpose of this account is to record receipts and  
22 expenditures of the program herein described and established within this subsection.

23 (p) Effective January 1, 2023, the electric and gas distribution company shall not be eligible  
24 for performance based or other incentives related to the administration and implementation of  
25 energy efficiency programs approved pursuant to this chapter.

26 (q) The Rhode Island office of energy resources, in coordination with the energy efficiency  
27 resource management council, shall issue a request for proposals for the cost effective  
28 administration and implementation of statewide energy efficiency programs funded by this section  
29 no later than March 31, 2023. The Rhode Island office of energy resources, in coordination with  
30 the energy efficiency resource management council, shall evaluate proposals and determine  
31 whether energy efficiency administration and implementation by the electric and gas distribution  
32 company or a third-party is in the best interest of Rhode Island energy consumers. After January  
33 1, 2025, the office of energy resources may, periodically, and at its discretion, issue additional

1 requests for proposals for the administration and implementation of statewide energy efficiency  
2 programs funded through this chapter.

3 (i) Nothing in this chapter shall prohibit the electric and/or gas distribution company from  
4 submitting a proposal to administer and implement the state energy efficiency programs.

5 (ii) If the office of energy resources, in coordination with the energy efficiency resource  
6 management council, determines that the use of a third-party administrator is in the best interest of  
7 Rhode Island energy consumers, it shall file its recommendation with the public utilities  
8 commission, which shall docket and rule on the matter pursuant to its general statutory  
9 authorization. If the commission determines that the recommended third-party administrator is in  
10 the interest of Rhode Island utility customers, it shall provide for the full cost recovery of any  
11 subsequent contracts entered into by the office and the third-party administrator from electric and  
12 gas distribution customers.

13 (iii) If the office does not recommend advancement of a third-party administrator, the  
14 electric and gas distribution utility shall continue to administer statewide energy efficiency  
15 programs.

16 SECTION 2. Title 42 of the General Laws entitled “State Affairs and Government” is  
17 hereby amended by adding thereto the following chapter:

18 CHAPTER 162

19 ELECTRIC VEHICLE CHARGING INFRASTRUCTURE PROGRAM

20 **42-162-1. Legislative findings.**

21 The general assembly finds and declares that:

22 (1) The 2021 act on climate establishes mandatory, economy-wide greenhouse gas  
23 emissions reduction targets; and

24 (2) To meet these goals, Rhode Island must accelerate its adoption of more sustainable  
25 transportation solutions, including electric vehicles; and

26 (3) The widespread adoption of electric vehicles will necessitate investment in and  
27 deployment of electric vehicle charging infrastructure; and

28 (4) Electric vehicle charging infrastructure must be made accessible to all Rhode Island  
29 citizens and businesses, and deployed in an equitable manner; and

30 (5) The installation of electric vehicle charging infrastructure – and other clean energy  
31 investments – will support statewide economic development and job growth in the clean energy  
32 sector.

33 **42-162-2. Definitions.**

1 As used in this chapter, the following terms, unless the context requires a different  
2 interpretation, shall have the following meanings:

3 (1) "Department" means the department of transportation.

4 (2) "Electric Vehicle Charging Infrastructure" means equipment that supplies electricity to  
5 charge electric vehicles, including charging stations and balance of plant.

6 (3) "Electric Vehicle Charging Infrastructure Funds" means but is not limited to, federal  
7 funds allocated for electric vehicle charging infrastructure from the federal infrastructure  
8 investment and jobs act and any funds allocated as state match to federal funds.

9 (4) "Federal Funds" means monies allocated for electric vehicle charging infrastructure  
10 from the infrastructure investment and jobs act.

11 (5) "Office" means the office of energy resources.

12 **42-162-3. Implementation of the electric vehicle charging infrastructure investment**  
13 **program.**

14 (a) There is hereby established an electric vehicle charging infrastructure investment  
15 program. The department and office shall, in consultation with the department of environmental  
16 management, establish the electric vehicle charging infrastructure investment program to be  
17 administered by the office in consultation with the department.

18 (b) The department and office, in consultation with the department of environmental  
19 management, shall propose draft program and investment criteria on the electric vehicle charging  
20 infrastructure investment program and accept public comment for thirty (30) days. The draft shall  
21 specify the incentive levels, eligibility criteria, and program rules for electric vehicle charging  
22 infrastructure incentives. The program and investment criteria shall be finalized by the office and  
23 department after the public comment period closes and include responses to submitted public  
24 comments.

25 (c) The department and office shall provide a website for the electric vehicle charging  
26 infrastructure investment program to support public accessibility.

27 **42-162-4. Reporting.**

28 The department and office shall provide a report to the governor and general assembly by  
29 December 31, 2023, on the results of the electric vehicle charging infrastructure investment  
30 program. The department and office shall provide an annual report to the governor and general  
31 assembly until the federal funds have been completely utilized.

32 SECTION 3. Section 46-23-20.1 of the General Laws in Chapter 46-23 entitled  
33 "Coastal Resources Management Council" is hereby amended to read as follows:

34 **46-23-20.1. Hearing officers — Appointment — Compensation — Subcommittee.**

1 (a) The governor, with the advice and consent of the senate, shall appoint two (2) hearing  
2 officers who shall be attorneys-at-law, who, prior to their appointment, shall have practiced law for  
3 a period of not less than five (5) years for a term of five (5) years; provided, however, that the initial  
4 appointments shall be as follows: one hearing officer shall be appointed for a term of three (3) years  
5 and one hearing officer shall be appointed for a term of five (5) years. The appointees shall be  
6 addressed as hearing officers.

7 (b) The governor shall designate one of the hearing officers as chief hearing officer. The  
8 hearing officers shall hear proceedings as provided by this section, and the council, with the  
9 assistance of the chief hearing officer, may promulgate such rules and regulations as shall be  
10 necessary or desirable to effect the purposes of this section.

11 (c) A hearing officer ~~shall be devoted full time to these administrative duties, and shall not~~  
12 ~~otherwise practice law while holding office nor be a partner nor an associate of any person in the~~  
13 ~~practice of law.~~ may be appointed to serve on a part-time basis. No hearing officer shall participate  
14 in any case in which he or she is an interested party.

15 (d) Compensation for hearing officers shall be determined by the unclassified pay board.

16 (e) Whenever the chairperson of the coastal resources management council or, in the  
17 absence of the chairperson, the commissioner of coastal resources makes a finding that the hearing  
18 officers are otherwise engaged and unable to hear a matter in a timely fashion, he or she may  
19 appoint a subcommittee which will act as hearing officers in any contested case coming before the  
20 council. The subcommittee shall consist of at least one member; provided, however, that in all  
21 contested cases an additional member shall be a resident of the coastal community affected. The  
22 city or town council of each coastal community shall, at the beginning of its term of office, appoint  
23 a resident of that city or town to serve as an alternate member of the aforesaid subcommittee should  
24 there be no existing member of the coastal resources management council from that city or town  
25 available to serve on the subcommittee. Any member of the subcommittee actively engaged in  
26 hearing a case shall continue to hear the case, even though his or her term may have expired, until  
27 the case is concluded and a vote taken thereon. Hearings before subcommittees shall be subject to  
28 all rules of practice and procedure as govern hearings before hearing officers.

29 SECTION 4. This article shall take effect upon passage.