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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- ENERGY EFFICIENCY

Introduced By: Senators Sosnowski, Bates, Miller, DiPalma, and Walaska

Date Introduced: January 24, 2013

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 42-140.1-2, 42-140.1-4 and 42-140.1-5 of the General Laws in
2 Chapter 42-140.1 entitled "The Rhode Island Energy Efficiency and Resource Management
3 Council" are hereby amended to read as follows:

4 **42-140.1-2. Legislative findings.** -- It is hereby found and declared:

5 (a) Rhode Island has experienced an energy cost crisis during 2005, ~~and~~ 2006 and 2008
6 and faces the prospect of fluctuating and increasing energy prices in the future.

7 (b) Energy conservation and energy efficiency have enormous, untapped potential for
8 controlling energy costs and mitigating the effects of energy crisis for Rhode Island residents and
9 the Rhode Island economy.

10 (c) Rhode Island has lacked an integrated, comprehensive, public, stakeholder-driven
11 organizational structure to secure for Rhode Island and its people the full benefits of energy
12 efficiency, energy conservation, and energy resources management.

13 (d) Energy efficiency programs can create employment and economic opportunities in
14 Rhode Island.

15 **42-140.1-4. Composition and appointment.** -- (a) The council shall consist of ~~eleven~~
16 ~~(11)~~ fourteen (14) members appointed by the governor with the advice and consent of the senate;
17 ~~seven (7)~~ nine (9) members shall be voting numbers, and the governor shall give due
18 consideration to appointing persons with knowledge of: (1) energy regulation and law; (2) large
19 commercial/industrial users, (3) small commercial/industrial users; (4) residential users; (5) low

1 income users; (6) environmental issues pertaining to energy; (7) energy design and codes; ~~and (8)~~
2 energy efficiency education and employment training; and (9) municipal energy users. ~~four (4)~~
3 Five (5) members shall be ex-officio, non-voting members, representing an electric distribution
4 entity, a gas distribution entity, fuel oil or heating fuel industry, the director of labor and training
5 or his/her designee from the department, and the commissioner of the office of energy resources.
6 From the ~~seven (7)~~ nine (9) voting members, the governor shall appoint one person to be
7 chairperson of the council and one person to be vice chairperson of the council; the commissioner
8 of the office of energy resources shall be the executive secretary and executive director of the
9 council.

10 (b) With the exception of the director of labor and training or his/her designee and the
11 commissioner of the office of energy resources; of the initial appointments; ~~three (3)~~ four (4)
12 members shall be appointed for a term of three (3) years, ~~three (3)~~ four (4), members shall be
13 appointed for a term of four (4) years, and four (4) members shall be appointed for a term of five
14 (5) years; thereafter members of the council shall be appointed for a term of five (5) years and
15 may be reappointed.

16 (c) A simple majority of the total number of voting members shall constitute a quorum.

17 (d) A vacancy other than by expiration shall be filled in the manner of the original
18 appointment but only for the unexpired portion of the term. The appointing authority shall have
19 the power to remove its appointee for just cause.

20 (e) The members of the council shall not be compensated for their service but shall be
21 reimbursed for their actual expenses necessarily incurred in the performance of their duties. The
22 provisions of this subdivision shall not apply to the executive secretary/executive director.

23 **42-140.1-5. Powers and duties.** -- The council shall have the power to:

24 (a) Develop and recommend for implementation plans, programs and standards for
25 energy conservation, energy efficiency, and diversification of energy resources.

26 (b) Monitor and evaluate plans and programs for energy conservation, energy efficiency
27 and diversification of energy resources; in order to effectuate such evaluations the council may
28 request audits, including performance audits, of any program for energy conservation, energy
29 efficiency or diversification of energy resources, that is established pursuant to Rhode Island law
30 or is administered by a state agency, a request for an audit of any program operative pursuant to
31 an order or decision of the public utilities commission shall be made to the commission; the
32 council may make findings and recommendations with regard to changes, modification or
33 continuation of any programs which it has authority to monitor or evaluate.

34 (c) Submit to the joint committee on energy an annual report on/or before April 15 of

1 each year, commencing in 2008, regarding the activities of the council, its assessment of energy
2 issues, the status of system reliability, energy efficiency and conservation procurement; a list of
3 all the energy efficiency businesses, consultants, and vendors participating in the programs,
4 including work related to energy audits, insulations, and equipment installations for the
5 residential, small business, and large commercial and industrial sectors; the funding allocation
6 that went into each of the eligible energy efficiency programs; and its recommendations regarding
7 any improvements which might be necessary or desirable.

8 (d) Participate in proceedings of the public utilities commission that pertain to the
9 purposes of the council, including but not limited to, proceedings regarding least-cost
10 procurement as provided for in section 39-1-27.7.

11 (e) Advise electric distribution companies with regard to implementation of least cost
12 procurement.

13 (f) Hold public meetings at least two (2) times a year with the Rhode Island renewable
14 energy coordinating board and/or the advisory council to coordinate programmatic and funding
15 efforts around the regional greenhouse gas initiative; system reliability; the diversification of
16 energy resources for energy security; and promotion of distributed generation renewable energy.

17 ~~(f)~~(g) Advise the ~~commission~~ commissioner of energy resources, and recommend
18 policies, standards, strategies, plans, programs, and procedures with regard to functions of the
19 office of energy resources including but not limited to plans, strategies, and programs to:

- 20 (1) implement cost-effective energy conservation and energy efficiency programs;
- 21 (2) promote the development of eligible renewable energy resources for Rhode Island in
22 coordination with the Rhode Island renewable energy coordinating board;
- 23 (3) foster distributed generation of electricity and demand response;
- 24 (4) assist low-income households in meeting energy needs; and
- 25 (5) coordinate the use of funds, resources, and programs from diverse resources to
26 achieve the purposes of the office.

27 ~~(g)~~(h) Consider such other matters as it may deem appropriate to the fulfillment of its
28 purposes, and may advise the governor, the general assembly, other parties, and the public with
29 regard to matters pertaining to its purposes and duties, which advice may include findings and
30 recommendations.

31 SECTION 2. Sections 42-140.3-3, 42-140.3-5, 42-140.3-6, 42-140.3-7, 42-140.3-8, 42-
32 140.3-9 and 42-140.3-10 of the General Laws in Chapter 42-140.3 entitled "The Rhode Island
33 Renewable Energy Coordinating Board" are hereby amended to read as follows:

34 **42-140.3-3. Definitions.** -- When used in this chapter, the following terms shall have the

1 following meanings:

2 (1) "Board" means the Rhode Island renewable energy coordinating board established
3 under section 42-140.3-4;

4 (2) "Advisory council" means the Rhode Island renewable energy advisory council
5 formed by the Rhode Island renewable energy coordinating board.

6 ~~(2)~~(3) "Renewable energy" means energy produced from eligible renewable energy
7 resources as defined in section 39-26-5;

8 ~~(3)~~(4) "Renewable energy policies" means Rhode Island renewable energy statutes as
9 defined in section 42-140.3-11;

10 ~~(4)~~(5) "State agencies" means state entities responsible for the implementation of Rhode
11 Island's renewable energy policies, deemed to include, but not be limited to: (i) The office of
12 energy resources; (ii) The economic development corporation; (iii) The department of
13 administration's division of planning; (iv) The department of environmental management; (v) The
14 coastal resources management council; (vi) The energy facility siting board; (vii) The public
15 utilities commission; (viii) The division of public utilities; and (ix) The energy efficiency and
16 resources management council.

17 ~~(5)~~(6) "Strategic plan" means the strategic renewable energy implementation plan
18 established under section 42-140.3-8.

19 **42-140.3-5. Composition of the board.** -- (a) The board shall have five (5) members: -
20 (1) The director of the department of administration, who shall serve as chairperson of the board;
21 (2) The commissioner of the office of energy resources; (3) The executive director of the
22 economic development corporation; (4) The director of the department of environmental
23 management; and (5) The director of the coastal resources management council. Any member of
24 the board may appoint a designee from his or her respective agency to represent him/her on the
25 board.

26 (b) Three (3) members shall constitute a quorum. - A majority vote of the board shall be
27 required for all recommendations, advice, and approvals of the board in accordance with this
28 chapter.

29 (c) The board shall convene meetings at a minimum six (6) times per year.

30 **42-140.3-6. Duties of the board.** -- The board ~~shall~~ with assistance provided by the
31 advisory council shall perform the following duties:

32 (1) Develop and maintain the strategic plan in accordance with section 42-140.3-8.

33 (2) Issue the strategic plan biannual report in accordance with subsection 42-140.3-8(e).

34 (3) Issue recommendations as necessary to state agencies and cities and towns.

1 [\(4\) Issue recommendations for improvements to existing renewable energy procurement](#)
2 [policies and programs that will create employment opportunities in Rhode Island.](#)

3 ~~(4)~~(5) Advise the governor and general assembly with regard to renewable energy
4 development in Rhode Island.

5 ~~(5)~~(6) Provide a forum for discussion of issues relating to renewable energy development
6 in Rhode Island and receive testimony from the public and interest groups.

7 [\(7\) Provide a forum for discussion on ways to support sustainable community](#)
8 [development and the creation of green job opportunities, including opportunities for new entrants](#)
9 [into the state's workforce, the long-term unemployed and displaced workers, and recent college](#)
10 [graduates.](#)

11 ~~(6)~~(8) Make available to the public all information about activities of the board.

12 **42-140.3-7. Powers of the board.** -- To effectuate its duties, the board [with assistance](#)
13 [from the advisory council](#) shall have the power to:

14 (1) Adopt and amend bylaws.

15 (2) Receive staff and administrative support from the department of administration [and](#)
16 [the Rhode Island office of energy resources.](#)

17 (3) Hold public meetings at least quarterly and at the call of the chairperson or three (3)
18 board members, in order to: (i) Develop and maintain the strategic renewable energy plan; (ii)
19 Develop reports and issue recommendations; (iii) Receive testimony from the public and other
20 interested parties.

21 (4) Hold public meetings at least twice each year with the Rhode Island energy
22 efficiency and resources management council [to coordinate programmatic and funding efforts](#)
23 [around the regional greenhouse initiative; system reliability; the diversification of energy](#)
24 [resources for energy security; and promotion of distributed generation renewable energy.](#)

25 (5) Engage any consultants or expert witnesses that it deems necessary to implement its
26 statutory responsibilities; provided, however, that to the maximum extent possible, the board shall
27 utilize staff from state agencies.

28 (6) Establish and maintain a website with information on all activities of the board [and](#)
29 [the advisory council.](#)

30 (7) Comment on legislation pending before the general assembly [or designate the Rhode](#)
31 [Island office of energy resources to speak on behalf of the board.](#)

32 **42-140.3-8. Strategic renewable energy implementation plan.** -- (a) The board [with the](#)
33 [assistance from the advisory council](#) shall develop and recommend a strategic renewable energy
34 implementation plan to promote the development of renewable energy resources in Rhode Island.

1 (b) The strategic plan shall: (1) Coordinate the short and long-term implementation of
2 renewable energy policies by state agencies; (2) Assess and include recommendations to realize
3 the potential of renewable energy development to create new businesses, employment
4 opportunities, and industries in Rhode Island; and (3) Address any other issues deemed
5 appropriate by the board to advance renewable energy development in Rhode Island.

6 (c) The board [and advisory council](#) may incorporate into the strategic plan the reports
7 and findings of state agencies including, but not limited to, the results of any special area
8 management plans.

9 (d) On or before November 15, 2011, the board shall adopt the strategic plan. The board
10 [and the advisory council](#) may amend the strategic plan as necessary.

11 (e) On ~~March~~ [April](#) 15 and ~~September~~ [October](#) 15 of each year, commencing in 2012,
12 the board shall issue the strategic plan biannual report, which shall be made available to the
13 public and transmitted to the governor; the senate president; the speaker of the house; and state
14 agencies. The strategic plan biannual report shall:

15 (1) Assess compliance with the strategic plan by state agencies and cities and towns;

16 (2) Evaluate the effectiveness of state renewable energy policies;

17 (3) Analyze the structure and sources of public funding for renewable energy
18 development;

19 (4) Evaluate the extent to which public funding for renewable energy development is
20 allocated to energy efficient projects;

21 (5) As necessary, make recommendations to state agencies and cities and towns; and

22 (6) As necessary, make recommendations for legislative action relating to renewable
23 energy development and financing.

24 **42-140.3-9. Renewable energy facility siting guidelines.** -- The board [with assistance](#)
25 [from the Rhode Island office of energy resources](#) shall:

26 (1) As a component of the strategic plan, adopt and amend as necessary the renewable
27 energy facility siting standards and guidelines promulgated by the division of planning under
28 section 42-11-10.

29 (2) Monitor the adoption of renewable energy siting ordinances by cities and towns.

30 (3) Communicate with towns and cities to encourage and facilitate the adoption of
31 recommended renewable energy siting ordinances.

32 **42-140.3-10. Advisory council.** -- (a) The Rhode Island renewable energy ~~coordinating~~
33 ~~board~~ advisory council is hereby established to advise the board on matters pertaining to the
34 board's duties and powers.

1 (b) The advisory council shall have ~~(15)~~ sixteen (16) members. Each board member with
2 the exception of the office of energy resources, shall select three (3) advisory council members,
3 provided that the advisory council includes members with experience in the following areas: (1)
4 Renewable energy development; (2) Energy regulation and law; (3) Environmental issues
5 pertaining to renewable energy; (4) Business association or chamber of commerce; (5) Green
6 trades; (6) Residential energy consumers; (7) Low-income energy consumers; (8) Small business
7 relating to renewable energy; ~~and~~ (9) Commercial/industrial energy consumers; and (10)
8 Municipal energy users. If an advisory council member resigns from his or her position, the board
9 member responsible for the selection of that advisory council member shall select his or her
10 replacement in accordance with the experience requirements stipulated in this section.

11 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- ENERGY EFFICIENCY

1 This act would make changes in the membership and duties of the Rhode Island energy
2 efficiency and resources management council, and the Rhode Island renewable energy
3 coordinating board and advisory council.

4 This act would take effect upon passage.

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