LC000765

## 2025 -- H 5161

## STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

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

#### JOINT RESOLUTION

## CREATING A SPECIAL JOINT LEGISLATIVE COMMISSION TO STUDY PUBLIC OWNERSHIP OF PUBLIC UTILITIES

Introduced By: Representatives Cotter, Morales, Potter, Carson, Speakman, Fogarty, Kislak, Slater, Giraldo, and Kazarian Date Introduced: January 24, 2025

<u>Referred To:</u> House Corporations

WHEREAS, Rhode Island General Laws § 39-1-1 provides that it is the declared policy 1 2 of the state "to provide fair regulation of public utilities and carriers in the interest of the public, 3 to promote availability of adequate, efficient, and economical energy, communication, and 4 transportation services and water supplies to the inhabitants of the state, to provide just and 5 reasonable rates and charges for such services and supplies, without unjust discrimination, undue preferences or advantages, or unfair or destructive competitive practices, and to cooperate with 6 7 other states and agencies of the federal government in promoting and coordinating efforts to 8 achieve realization of this policy"; and

9 WHEREAS, Rhode Island General Laws § 39-1-1 further provides that as of 1996, lower
10 retail electricity rates would promote the state's economy and the health and general welfare of
11 the citizens of Rhode Island; and

WHEREAS, This section was further amended to provide that as of 2006, the prices of energy, including especially fossil fuels and electricity, were rising faster than the cost of living and the subject of sharp fluctuations, which conditions created hardship for many households, institutions, organizations, and businesses in the state; and

WHEREAS, Despite many legislative innovations in the area of public utilities, the 2006
findings and declarations referenced above remain an accurate description of the current situation
for many residents of the state with regard to public utilities; now, therefore be it

19 RESOLVED, That a special legislative commission to study public ownership of public

1 utilities be and the same is hereby created consisting of fifteen (15) members: three (3) of whom 2 shall be members of the House of Representatives, not more than two (2) from the same political 3 party, to be appointed by the Speaker of the House; three (3) of whom shall be members of the 4 Senate, not more than two (2) from the same political party, to be appointed by the President of 5 the Senate; one of whom shall be the Chairperson of the Rhode Island Public Utilities 6 Commission, or designee; one of whom shall be the Administrator of the Division of Public 7 Utilities, or designee; one of whom shall be a representative of a public utilities provider of 8 natural gas in Rhode Island, to be appointed by the Speaker of the House; one of whom shall be a 9 representative of a public utilities provider of electricity in Rhode Island, to be appointed by the 10 President of the Senate; one of whom shall be a representative from an entity that provides energy 11 budget management for commercial consumers in Rhode Island, to be appointed by the Speaker 12 of the House; two (2) of whom shall be representatives from the International Brotherhood of 13 Electrical Workers, appointed from local unions located in the state, one representative to be 14 appointed by the Speaker of the House and one representative to be appointed by the President of 15 the Senate; and two (2) of whom shall be representatives from public interest and consumer 16 groups which advocate for consumer rights, one of whom to be appointed by the Speaker of the 17 House and one of whom to be appointed by the President of the Senate.

In lieu of any appointment of a member of the legislature to a legislative study commission, or any commission created by a General Assembly resolution, the appointing authority may appoint a member of the general public to serve in lieu of a legislator; provided that, the majority leader or the minority leader of the political party which is entitled to the appointment consents to the appointment of the member of the general public.

The purpose of said commission shall be to evaluate and make actionable recommendations to the General Assembly on natural gas and electricity making, generation, distribution, supply, purchase, and sale, to commercial, industrial, and residential customers throughout the state. The study commission shall consult with other individuals who have relevant expertise as needed.

28 More specifically, the study commission shall study and make recommendations on the 29 following:

30 (1) State-wide state, municipal or cooperative ownership of natural gas making,
31 distribution, supply, purchase and sale, and electricity generation and distribution to commercial,
32 industrial and residential customers in cities, suburban regions and rural areas;

33 (2) Potential application in Rhode Island of the state of Nebraska's "Neighbor's First"
 34 model of public ownership by municipal utilities, electric cooperatives or public power districts;

- (3) The performance of private utilities versus publicly-owned utilities;
- 2 (4) The governance structure of public ownership of natural gas making, distribution,
  3 supply, purchase and sale, and electricity generation and distribution to commercial, industrial
  4 and residential customers throughout the state including, but not limited to:
- (i) Cost of infrastructure, including development of construction projects that benefit the
  state as a whole but are too big or too expensive for any one municipal or regional entity, such,
  geothermal power plants, offshore wind farms or "pumped storage" hydropower facilities that can
  bank electricity from solar or wind farms;
- 9 (ii) Cost savings to consumers;
- 10 (iii) Access to low cost debt;
- 11 (iv) Ability to facilitate rapid transition to one hundred percent (100%) renewable energy;
- 12 (v) Access to new technology;
- 13 (vi) Productivity;

1

- 14 (vii) Union participation;
- (viii) Service to large cities, suburban regions, densely populated rural areas and sparsely
  populated rural areas;
- (ix) Profits from publicly-owned utilities that can be made available for cross
  subsidization for other public services, such as public transportation; and
- 19 (x) The state as a shareholder of privately-owned electric companies and gas companies.
- 20 Forthwith upon passage of this resolution, the members of the commission shall meet at
- 21 the call of the Speaker of the House and President of the Senate and shall select, from among the
- 22 legislators, co-chairpersons.
- 23 Vacancies in said commission shall be filled in like manner as the original appointment.
- 24 The membership of said commission shall receive no compensation for their services.
- All departments and agencies of the state shall furnish such advice and information, documentary and otherwise, to said commission and its agents as is deemed necessary or desirable by the commission to facilitate the purposes of this resolution.
- The Speaker of the House is hereby authorized and directed to provide suitable quartersfor said commission; and be it further
- RESOLVED, That the commission shall report its findings and recommendations to the
   General Assembly no later than April 16, 2026, and said commission shall expire on May 27,
   2026.

#### ====== LC000765

## EXPLANATION

## BY THE LEGISLATIVE COUNCIL

## OF

## JOINT RESOLUTION

# CREATING A SPECIAL JOINT LEGISLATIVE COMMISSION TO STUDY PUBLIC OWNERSHIP OF PUBLIC UTILITIES

\*\*\*

| 1 | This Joint Resolution would create a special joint legislative study commission to study            |
|---|---|
| 2 | public ownership of certain public utilities, including electricity and natural gas. The commission |
| 3 | would report its findings and recommendations to the General Assembly no later than April 16,       |
| 4 | 2026, and would expire on May 27, 2026.   |

LC000765