

Senate Environment and Agriculture Committee
82 Smith Street
Providence, RI 02903

March 23, 2022

RE: S 2583, An Act Relating to Public Utilities and Carriers – Affordable Clean Energy Security Act

Dear Chair Euer, Vice Chair DiMario, Secretary Archambault, and honorable members of the Senate Environment and Agriculture Committee:

We thank you for the opportunity to comment on S 2583 “An Act Relating to Public Utilities and Carriers – Affordable Clean Energy Security Act.”

Roots 2 Empower and Sierra Club Rhode Island support this legislation to increase renewable energy in Rhode Island with key amendments that are outlined in this letter. These amendments would ensure an equitable transition to renewable energy; necessary to ease the disproportionate burden that our communities face in the current energy systems.

Offshore wind energy will play a major role in the transition to a clean energy economy. Last year, the Biden-Harris Administration set a national goal to deploy 30 gigawatts of energy by 2030. If achieved, this goal is projected to generate \$12 billion per year in capital investment, employ 77,000 workers, and power 10 million American homes. What’s more, the federal agency that permits offshore wind energy projects - the Bureau of Ocean Energy Management (BOEM) - is committed to ensuring benefits reach underserved, disadvantaged, and overburdened communities. As part of their environmental review of projects under the National Environmental Policy Act (NEPA), BOEM is required to do a socioeconomic impacts analysis. In NEPA, Congress declared, “that it is the continuing policy of the Federal Government...to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.” BOEM is committed to ensuring this policy is carried out to the protection and benefit of underserved communities, and this week is hosting a series of workshops to learn how to improve their socioeconomic impacts analysis and outreach efforts in coastal states throughout the country.

All of this is to say that the offshore wind projects that our state contracts will be subject to federal review to ensure that projects live up to the environmental and socioeconomic requirements of energy projects off our shores. Our policies should be aligned with the federal equity values that will guide permitting, as well as the equity principles that Rhode Island committed to in combating climate change last year in passing the 2021 Act on Climate. Among these values are strong stakeholder engagement, community informed decision making, mitigation of negative impacts to underserved communities including low-income communities experiencing shutoffs due to high utility rates, and sharing equitably the benefits of renewable energy and ensuring they reach disadvantaged communities.

As a reminder to the committee, we would like to outline the provisions of the 2021 Act on Climate that were passed to ensure our communities were not left behind in the transition to a clean energy economy.

The 2021 Act on Climate established within the executive branch of state government a Rhode Island executive climate change coordinating council with responsibility and oversight to reduce emissions, strengthen the resilience of communities and infrastructure, and prepare for the effects on climate change, including, but not limited to, coordinating vulnerability assessments throughout state government. In less than three years, by December 31, 2025, the council is required to submit a plan (and every five years thereafter) for public comment, that includes strategies, programs, and actions to meet economy-wide enforceable targets for greenhouse gas emissions that includes, among other things:

- An equitable transition to climate compliance for environmental justice populations;
- Redress of past environmental and public health inequities;
- A process where the interests of and people from populations most vulnerable to the effects of climate change and at risk of pollution, displacement, energy burden, and cost;
- Identification of support for workers during this equitable transition to address inequity in the state by creating quality and family-sustaining clean energy jobs that pay wages and benefits consistent with or that exceed area wage and labor standards;
- Provides for the development of programs that directly recruit, train, and retain those underrepresented in the workforce, including women, people of color, indigenous people, veterans, formerly incarcerated people, and people living with disabilities.

State agencies are required to support the council by, among other things:

- Address recommendations to reduce health impacts associated with climate change and protect the populations most vulnerable to the effects of climate change and at risk of pollution, displacement, energy burden, and cost;
- Foster public transparency by developing public metrics and an online public dashboard that shall track both emissions reductions and sources of energy consumed by the state. The metrics and the dashboard shall be updated at least annually.

An advisory board was also established as a part of Act on Climate to oversee these efforts, including one of whom shall be from an organization representing or serving low-income and/or minority communities.

To achieve these state requirements and align with federal objectives to center equity and justice in the pursuit of renewable energy development, we propose the following amendments in the sections noted in each heading:

39-31-2. Purpose:

In this section, we propose an additional section dedicated to the purpose of this legislation as it relates to the environmental justice and low-income communities that we represent. It is important to acknowledge

that the legislation's purpose to "protect the quality of life and environment for all residents" and "advance strategic investment in energy infrastructure and energy resources, provided that the total energy security, reliability, environmental, and economic benefits to the state of Rhode Island and its ratepayers exceeds the cost of the projects" does not look the same for all Rhode Islanders.

We propose that sections 2 and 3 are changed to 3 and 4 and a new section 2 is added that reads, "Ensure that vulnerable communities identified through processes established in the 2021 Act on Climate are relieved in the transition to renewable energy infrastructure, including low-income, environmental justice, and cities and towns with high populations of individuals who are of African descent, Latinx, indigenous, Asian, Pacific Islander, immigrants, veterans, or disabled."

39-31-4. Regional energy planning.

As the 2021 Act on Climate recommends processes that foster public transparency, we believe that it is absolutely essential that stakeholders are involved in the process of bringing into our state new renewable energy sources and that their input is integrated to ensure that renewable energy projects truly serve all Rhode Islanders as this legislation intends. Specifically for offshore wind energy, all Northeast states have public processes to procure offshore wind energy.

In this section, we propose that in section (a), line 6, the words "where appropriate" are stricken out in describing stakeholder engagement in order to require stakeholder engagement for regional energy planning activities. In a(3), line 25, which describes plan for a new gas transmission line, we proposed that the words "development and construction" are stricken and replaced with the words "repair of the existing" to prioritize repairing existing infrastructure before building new gas infrastructure. According to a 2017 article in the Providence Journal "R.I.'s aging gas lines: leaks still a problem, despite repairs," Alex Kuffner reports that RI has the second-highest percentage of cast or iron pipes at 24%, the seventh-highest percentage of bare steel pipes at 8%, and the second-highest percentage of pipes installed before 1970 at 48 percent. The article reads:

"According to the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration, nearly one in every six miles of gas main in Rhode Island was put in the ground before 1940 — more than three times the national average. As of 2016, there were 133 miles of main installed before 1900, most of them in Providence, that were still in use, according to a filing with the state."

Methane, the primary component of natural gas, can trap heat more than 80 times more than carbon dioxide. Methane also emits non-methane pollutants that are hazardous to health. In Massachusetts, a new study showed that people of color, lower-income households, and people with limited English are more exposed to gas leaks, especially hazardous gas leaks, and those communities wait longer to get the leaks

fixed.¹ Gas leaks also contribute to heat islands which also have hazardous and compounding impacts on people's health and quality of life, according to the US EPA.² Furthermore, it is much more affordable to repair leaks, with experts estimating that it costs \$3,000 per leak to repair versus \$1.7 million to replace a mile of pipeline. A Boston University Grad student found that 7% of the gas leaks in Massachusetts accounted for 50% of lost gas representing \$90 million per year in retail value.

Whereas the legislation states that new natural-gas-pipeline infrastructure will **potentially** mitigate energy price volatility, repairing leaky infrastructure so that gas can be delivered reliably and safely without wasting money to ratepayers will **absolutely** mitigate energy price volatility.

In 4(e) of this section which states: "As part of any office of energy resources and division of public utilities and carriers filing made pursuant to this chapter, the agencies shall identify the expected energy reliability, energy security, and ratepayer impacts that are expected to result from commitments being made in connection with the proposed project(s)" we recommend the addition of "impacts to vulnerable communities" before "expected energy reliability" in line 26.

39-31-5. State and regional energy procurement.

In (a)(2) regarding the procurement of natural-gas-pipeline infrastructure and capacity, we urge amendments consistent with our comments in the earlier section to prioritize the repair of existing infrastructure rather than the development of new natural gas infrastructure. This is also consistent with the enforceable carbon emissions goals established in the 2021 Act on Climate.

We also recommend an addition part (5) of this section that reads, "for all energy-infrastructure solicitations, the state agency issuing such solicitation is required to (a) publish the solicitation as a draft with no less than thirty day notice of a comment period to follow, and (b) to schedule and facilitate no less than one stakeholder meeting to gather input on the draft solicitation."

39-31-6. Utility filings with the public utilities commission.

In furtherance of the stakeholder process recommended above, we suggest an amendment to this section (a)(1)(vi) that reads "The commission shall accept public comment on any contracts filed by the distribution utility, as authorized under this section, for a period no less than thirty (30) days" by adding after "public comment" the words "during no less than two public comment meetings" and after "thirty days" adding the words "providing no less than thirty days notice of the hearing."

39-31-10. Offshore Wind Procurement.

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<https://www.wbur.org/news/2022/02/04/environmental-justice-communities-massachusetts-natural-gas-leak-exposure>

² <https://www.epa.gov/heatislands/heat-island-impacts>

To strengthen the alignment of this section with the equity requirements of the 2021 Act on Climate, we recommend that requests for proposals regarding offshore wind energy procurement include community benefits plans. We recommend that after the words “a diversity, equity and inclusion plan that, at a minimum provides” on line 3-4 of page 11, an addition of the following words: “a description of planned community benefits agreements and how such plans will serve historically marginalized communities in Rhode Island.” To the words that follow on lines 4-5, we recommend that after the words “the bidder’s proposed strategy to enable access to employment and vendor opportunities for historically marginalized communities” the addition of “and formerly incarcerated individuals.”

Following the words, “This information shall be incorporated in the procurement’s evaluation and scoring criteria,” in lines 8-9 of the same page, we recommend the addition of the words: “with diversity, equity, and inclusion representing not less than 25% of the bids overall score in the solicitation.”

These additions are essential for achieving the duties of the commission in section 39-31-7 of this legislation. In this section, (a)(6) requires that costs incurred must be done in a manner proportional to the energy benefits accrued by Rhode Island’s gas and electric customers from making such investments. This is not possible without ensuring that benefits reach low-income and historically marginalized communities. Further, to achieve (a)(7)(c)(1)(i) which requires the department of environmental management can provide an advisory opinion determination as to whether the proposed projects advance the goals of the 2021 Act on Climate on page 8 line 10-13, an equitable transition to renewable energy must be ensured. Finally, these amendments are also necessary for ensuring the equitable implementation of 4(v) on line 6 of page 9 that requires proposals to “enhance the economic fabric of the state.”

Conclusion:

Equitable development of clean energy is essential to achieve the benefits of this new industry. The amendments listed in this letter are not exhaustive as there was little time between the filing of this legislation and the committee hearing. We would appreciate the opportunity to meet with you to go over these as well as a potential additive provision that would enhance utility assistance programs to low-income ratepayers which we see as an essential component of ensuring the benefits of this new industry reach underserved communities.

Thank you for your consideration,

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