



Donald L. Carcieri
Governor

NEWS

Office of the Governor

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CARCIERI SIGNS COMPREHENSIVE ENERGY LEGISLATION INTO LAW

Energy Bill Addresses Short- & Long-Term Energy Needs, Includes Help For Low-Income Families, & Matches Governor's Energy Agenda

Governor Donald L. Carcieri today signed a comprehensive energy bill that he said will help provide Rhode Island families and businesses access to more affordable and safer energy supplies. The energy bill addresses the state's growing energy needs by focusing on renewable energy and energy efficiency while providing relief to help low-income households.

The legislation is aligned with Governor Carcieri's five-point energy agenda that he first unveiled in January. Like the Governor's energy agenda, this legislation is designed to increase energy resources, increase energy conservation, ensure a safety net for low-income families, and bring down the cost of energy for all Rhode Islanders.

"With this law, we are making fundamental and proactive reforms to our energy policy," Governor Carcieri said. "We are strengthening our commitment to renewable energy, especially wind power; developing a sound energy planning strategy; and setting new standards to ensure stability in our electric energy pricing."

"Furthermore, we are expanding help to Rhode Island's low-income families," the Governor continued. "First, with the revenues generated by the gross receipts tax on electricity and natural gas, we will provide additional funds to our low-income heating assistance program. I first proposed this reform last October. Second, we are creating a mechanism for customers who are behind in their payments to the utility companies that will allow them to pay off their debts over a three-year period and have a portion of that debt forgiven."

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“In January, I presented a five-point energy agenda to address some of the issues that have led to unprecedented increases in energy costs. This legislation gives us the tools to accomplish many of the goals that were contained in my energy agenda. And I am pleased to say that we are doing this without using any additional tax dollars.”

The legislation (S 2903 and H 8025) was sponsored by Sens. William Walaska of Warwick and Susan Sosnowski of South Kingstown and House Majority Leader Gordon Fox of Providence and Rep. Brian Patrick Kennedy of Hopkinton, respectively.

Under the law signed today by Governor Carcieri:

- Electric energy pricing will remain stable by extending a process known as the Standard Offer while working on reforms to the electric wholesale market.
- The state’s two renewable energy funds will be merged to create an even larger funding source for investment in renewable resources. This will mean approximately \$7 million for renewable energy, which will help achieve the goal of obtaining 15 percent of the state’s electricity requirements from wind power.
- “Fair siting criteria” will be established to facilitate the siting of wind power facilities. Setting up such criteria will result in regulatory certainty for those developers who want to invest in such projects in Rhode Island. As part of his energy agenda, the Governor set the goal of serving 15 percent of Rhode Island’s energy needs through wind power.
- The Office of Energy Resources will be established to engage in long-term energy planning. This puts into statute the office that Governor Carcieri created by Executive Order last January when he established the position of Chief Energy Advisor, which also oversees the State Energy Office.
- A system of discounted gas and electric rates and discounted heating oil procurement will be established for low-income families by diverting portions of the gross receipts tax on electricity and natural gas, and a portion of the sales tax on heating oil, which is currently limited to commercial purchases.
- A three-year repayment plan will be set up for those who are in debt to utility companies with a portion of the debt forgiven.
- Natural gas efficiency will be augmented by increasing the rebates to consumers who purchase energy efficient equipment. For example, Rhode Island consumers who purchase energy efficient boilers currently receive a \$100 rebate, while Massachusetts consumers receive a \$500 rebate. Increasing the rebate amounts will compel more consumers to purchase energy efficient devices.

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