

2021 -- H 6277

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REIMBURSEMENT AND  
OVERCHARGED ELECTRICITY CUSTOMERS

Introduced By: Representative Anastasia P. Williams

Date Introduced: April 29, 2021

Referred To: House Corporations

It is enacted by the General Assembly as follows:

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

3           **39-2-1. Reasonable and adequate services -- Reasonable and just charges.**

4           (a) Every public utility is required to furnish safe, reasonable, and adequate services and  
5 facilities. The rate, toll, or charge, or any joint rate made, exacted, demanded, or collected by any  
6 public utility for the conveyance or transportation of any persons or property, including sewage,  
7 between points within the state; or for any heat, light, water, or power produced, transmitted,  
8 distributed, delivered, or furnished; or for any telephone or telegraph message conveyed; or for any  
9 service rendered or to be rendered in connection therewith, shall be reasonable and just, and every  
10 unjust or unreasonable charge for the service is prohibited and declared unlawful, and no public  
11 utility providing heat, light, water, or power produced, transmitted, distributed, delivered, or  
12 furnished shall terminate the service or deprive any home or building, or whatsoever, of service if  
13 the reason therefor is nonpayment of the service without first notifying the user of the service, or  
14 the owner, or owners, of the building as recorded with the utility of the impending service  
15 termination by written notice at least ten (10) days prior to the effective date of the proposed  
16 termination of service.

17           (1) Effective immediately, following the issuance of a decision by the commission under  
18 § 39-1-27.12(d), the utility shall collect a LIHEAP enhancement charge from all utility customers

1 for the funding of the LIHEAP Enhancement Fund.

2 (b) Any existing rules and regulations dealing with the termination of utility service and  
3 establishing reasonable methods of debt collection promulgated by the commission pursuant to this  
4 chapter and the provisions of § 39-1.1-3 including, but not limited to, any rules and regulations  
5 dealing with deposit and deferred-payment arrangements, winter moratorium and medical  
6 emergency protections, and customer dispute resolution procedures, shall be applicable to any  
7 public utility that distributes electricity.

8 (c) The commission shall promulgate such further rules and regulations as are necessary to  
9 protect consumers following the introduction of competition in the electric industry and that are  
10 consistent with this chapter and the provisions of § 39-1.1-3. In promulgating the rules and  
11 regulations, the commission shall confer with the retail electric licensing commission and shall give  
12 reasonable consideration to any and all recommendations of the retail electric licensing  
13 commission.

14 (d)(1) On or before August 15, 2011, the commission shall administer the rules and  
15 regulations, as may be necessary, to implement the purpose of subsection (d)(2) of this section and  
16 to provide for the restoration of electric and/or gas service to Low Income Home Energy Assistance  
17 Program (LIHEAP)-eligible households, as this eligibility is defined in the current LIHEAP state  
18 plan for Rhode Island filed with the U.S. Department of Health and Human Services.

19 (2) Effective no later than September 1, 2016, notwithstanding the provisions of part V  
20 sections 4(E)(1)(B) and (C) of the public utilities commission rules and regulations governing the  
21 termination of residential electric, gas, and water utility service, a LIHEAP-eligible customer, as  
22 defined above in this section, who has been terminated from gas and/or electric service or is  
23 recognized, pursuant to a rule or decision by the division, as being scheduled for actual shutoff of  
24 service on a specific date, shall not be deprived electric and/or gas utility service provided the  
25 following conditions are met:

26 (i) The customer has an account balance of at least three hundred dollars (\$300) that is  
27 more than sixty (60) days past due;

28 (ii) The customer is eligible for the federal Low Income Home Energy Assistance Program  
29 and the account is enrolled in the utility low-income rate if offered;

30 (iii) If utility service has been terminated, the customer shall make an initial payment of  
31 twenty-five percent (25%) of the unpaid balance, unless the commission has enacted emergency  
32 regulations in which case the customer shall pay the down payment required by the emergency  
33 regulations;

34 (iv) The customer agrees to participate in energy efficiency programs;

1 (v) The customer applies for other available energy-assistance programs, including fuel  
2 assistance and weatherization;

3 (vi) The customer agrees to make at least twelve (12) monthly payments in an amount  
4 determined by the utility and based on the customer's average monthly usage of the previous year,  
5 and the customer's actual or anticipated fuel assistance, if known. The electric- and/or gas-utility  
6 company shall review the payment plan every three (3) months and may adjust the plan based on  
7 the following: the amount of or change in fuel assistance; the customer moves; actual usage differs  
8 from estimated usage; and/or significant changes in the company's energy costs or rates from the  
9 time of anticipated enrollment;

10 (vii) With each payment, a portion of the customer's outstanding account balance shall be  
11 forgiven in an amount equal to the total past-due balance divided by the number of months in the  
12 customer agreement;

13 (viii) Up to one thousand five hundred dollars (\$1,500) shall be forgiven in a twelve-month  
14 (12) period. If the outstanding account balance is greater than one thousand five hundred dollars  
15 (\$1,500), the length of the agreement may, at the request of the customer, be extended for more  
16 than twelve (12) months to accommodate the total outstanding balance, provided that the customer  
17 is current with payments at the conclusion of the previous twelve-month (12) period;

18 (ix) The customer agrees to remain current with payments. For purposes of this subsection,  
19 remaining current shall mean that the customer: (A) Misses no more than two (2) payments in a  
20 twelve-month (12) period covered by the agreement; and (B) That the amount due under the  
21 agreement is paid in full, by the conclusion of the twelve-month (12) period of the agreement;

22 (x) Failure to comply with the payment provisions set forth in this subsection shall be  
23 grounds for the customer to be removed from the repayment program established by this subsection  
24 and the balance due on the unpaid balance shall be due and payable in full, in accordance with the  
25 rules of the commission governing the termination of residential electric, gas, and water utility  
26 service, provided, that any arrearage already forgiven under subsection (d)(2)(vii) of this section  
27 shall remain forgiven and be written off by the utility. The amount of the arrearage, so forgiven,  
28 shall be recovered by the electric and/or gas company through an annual reconciling factor  
29 approved by the commission;

30 (xi) The commission may promulgate rules and regulations to implement this section that  
31 ensure efficient administration of the program in a nondiscriminatory manner consistent with the  
32 goal of providing assistance to customers who are willing and able to meet their obligations to the  
33 utility under this program;

34 (xii) Each public utility that provides gas or electric service to residential ratepayers shall

1 file tariffs implementing the requirements of this section on a date to be determined by the  
2 commission which shall allow for the program to be in place no later than October 1, 2016;

3 (xiii) After two (2) years from the date of completion of the plan or removal from the plan  
4 for failure to remain current with payments and upon recommendation from a community action  
5 partnership agency, a customer shall be eligible to enroll in a subsequent arrearage forgiveness  
6 plan; and

7 (xiv) A customer, who completes the schedule of payments pursuant to this subsection,  
8 shall have the balance of any arrearage forgiven, and the customer's obligation to the gas and/or  
9 electric company for such unpaid balance shall be deemed to be fully satisfied. The amount of the  
10 arrearage, so forgiven, shall be treated as bad debt for purposes of cost recovery by the gas or the  
11 electric company up to the amount allowed in the gas and/or electric company's most recent general  
12 rate filing. In the event the gas or electric company's bad debt for a calendar year exceeds the  
13 amount allowed in the most recent general-rate filing for the same period, the gas or electric  
14 company shall be entitled to recovery of those write-offs that were the result of the arrearage  
15 forgiveness plan set forth in this section.

16 (3) A customer terminated from service under the provisions of subsection (d)(1) or (d)(2)  
17 shall be eligible for restoration of service in accordance with the applicable provisions of part V  
18 section 4(E)(1)(C), or its successor provision, of the public utilities commission rules and  
19 regulations governing the termination of residential electric, gas, and water service.

20 (e) The commission shall complete a comprehensive review of all utility and energy-related  
21 programs and policies impacting protected classes and low-income ratepayers. In conducting its  
22 review, the commission shall consult with the division, the attorney general, the utility, the  
23 department of human services, the ratepayers advisory board established by § 39-1-37.1,  
24 community-based organizations, a homeless advisory group, and community action agencies, each  
25 of whom shall cooperate with meetings scheduled by the commission and any requests for  
26 information received by the commission by providing responses within twenty-one (21) days from  
27 issuance. The commission shall submit a report of its findings and recommendations to the  
28 governor and the general assembly no later than November 1, 2018. No later than November 15,  
29 2017, and annually thereafter, the commission shall submit to the governor, the senate president,  
30 and the speaker of the house a report on the effectiveness of the customer arrearage program which  
31 shall include a cost-benefit analysis and recommendations to improve the effectiveness of the  
32 arrearage program.

33 (f) Effective immediately, the commission is hereby directed to order the return to  
34 electricity ratepayers, the sum of forty-six million dollars (\$46,000,000), to be distributed as

1 [reimbursement for the overcharges that were unjustly imposed upon them, over a number of years,](#)  
2 [pursuant to § 39-26.1-7\(f\), concerning the town of New Shoreham's underwater electricity](#)  
3 [transmission cable project. Each overcharged electricity customer shall be reimbursed in an amount](#)  
4 [commensurate to the amount of the overcharge.](#)

5 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REIMBURSEMENT AND  
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1           This act would direct the public utility commission to order electricity suppliers to return  
2 to its customers, that were wrongfully overcharged, concerning the underwater electricity  
3 transmission cable to the town of New Shoreham project.

4           This act would take effect upon passage.

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