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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2005

A N A C T

RELATING TO PUBLIC UTILITIES

Introduced By: Representatives Slater, Handy, Diaz, Ajello, and Moura

Date Introduced: June 14, 2005

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 39-1-1 and 39-1-2 of the General Laws in Chapter 39-1 entitled
2 "Public Utilities Commission" are hereby amended to read as follows:

3 **39-1-1. Declaration of policy -- Purposes.** -- (a) The general assembly finds and
4 therefore declares that:

5 (1) The businesses of distributing electrical energy, producing and transporting
6 manufactured and natural gas, operating water works and furnishing supplies of water for
7 domestic, industrial, and commercial use, offering to the public transportation of persons and
8 property, furnishing and servicing telephonic and wireless audio and visual communication
9 systems, and operation of community antenna television systems are affected with a public
10 interest;

11 (2) Supervision and reasonable regulation by the state of the manner in which such
12 businesses construct their systems and carry on their operations within the state are necessary to
13 protect and promote the convenience, health, comfort, safety, accommodation, and welfare of the
14 people, and are a proper exercise of the police power of the state;

15 (3) Preservation of the state's resources, commerce, and industry requires the assurance
16 of adequate public transportation and communication facilities, water supplies, and an abundance
17 of energy, all supplied to the people with reliability, at economical cost, and with due regard for
18 the preservation and enhancement of the environment, the conservation of natural resources,
19 including scenic, historic, and recreational assets, and the strengthening of long-range, land-use

1 planning; and

2 (4) The health and welfare of the people of the state depend on their ability to obtain
3 energy, in a manner that is affordable, for the purposes of heating their households.

4 (b) It is hereby declared to be the policy of the state to provide fair regulation of public
5 utilities and carriers in the interest of the public, to promote availability of adequate, efficient and
6 economical energy, communication, and transportation services and water supplies to the
7 inhabitants of the state, to provide just and reasonable rates and charges for such services and
8 supplies, without unjust discrimination, undue preferences or advantages, or unfair or destructive
9 competitive practices, and to co-operate with other states and agencies of the federal government
10 in promoting and coordinating efforts to achieve realization of this policy.

11 (c) To this end, there is hereby vested in the public utilities commission and the division
12 of public utilities and carriers the exclusive power and authority to supervise, regulate, and make
13 orders governing the conduct of companies offering to the public in intrastate commerce energy,
14 communication, and transportation services and water supplies for the purpose of increasing and
15 maintaining the efficiency of the companies, according desirable safeguards and convenience to
16 their employees and to the public, and protecting them and the public against improper and
17 unreasonable rates, tolls and charges by providing full, fair, and adequate administrative
18 procedures and remedies, and by securing a judicial review to any party aggrieved by such an
19 administrative proceeding or ruling.

20 (d) The legislature also finds and declares the following:

21 (1) That lower retail electricity rates would promote the state's economy and the health
22 and general welfare of the citizens of Rhode Island;

23 (2) That current research and experience indicates that greater competition in the
24 electricity industry would result in a decrease in electricity rates over time;

25 (3) That greater competition in the electricity industry would stimulate economic growth;

26 (4) That it is in the public interest to promote competition in the electricity industry and
27 to establish performance based ratemaking for regulated utilities;

28 (5) That in connection with the transition to a more competitive electric utility industry,
29 public utilities should have a reasonable opportunity to recover transitional costs associated with
30 commitments prudently incurred in the past pursuant to their legal obligations to provide reliable
31 electric service at reasonable costs;

32 (6) That it shall be the policy of the state to encourage, through all feasible means and
33 measures, states where fossil-fueled electric generating units producing air emissions affecting
34 Rhode Island air quality are located to reduce such emissions over time to levels that enable cost

1 effective attainment of environmental standards within Rhode Island;

2 (7) That in a restructured electrical industry the same protections currently afforded to
3 low income customers shall continue.

4 **39-1-2. Definitions.** -- Terms used in this title shall be construed as follows, unless
5 another meaning is expressed or is clearly apparent from the language or context:

6 (1) "Administrator" means the administrator of the division of public utilities and
7 carriers;

8 (2) "Airport" and "landing field" mean and include all airports and landing fields other
9 than those owned by the state;

10 (3) "Chairperson" means the chairperson of the public utilities commission;

11 (4) "Charter carrier" means and includes all carriers for hire or compensation within this
12 state not included in the definition of common carrier;

13 (5) "Commission" means the public utilities commission;

14 (6) "Commissioner" means a member of the public utilities commission;

15 (7) "Common carrier", except when used in chapters 12, 13, and 14 of this title, means
16 and includes all carriers for hire or compensation including railroads, street railways, express,
17 freight and freight line companies, dining car companies, steam boat, motor boat, power boat,
18 hydrofoil, and ferry companies and all other companies operating any agency or facility for
19 public use in this conveyance over fixed routes, or between fixed termini within this state or
20 persons or property by or by a combination of land, air, or water;

21 (8) "Company" means and includes a person, firm, partnership, corporation, quasi-
22 municipal corporation, association, joint stock association or company, and his, her, its, or their
23 lessees, trustees, or receivers appointed by any court;

24 (9) "Customer" means a company taking service from an electric distribution company at
25 a single point of delivery or meter location;

26 (10) "Distribution facility" means plant or equipment used for the distribution of
27 electricity and which is not a transmission facility;

28 (11) "Division" means the division of public utilities and carriers;

29 (12) "Electric distribution company" means a company engaging in the distribution of
30 electricity or owning, operating, or controlling distribution facilities and shall be a public utility
31 pursuant to section 39-1-2(20);

32 (13) "Electric Transmission Company" means a company engaging in the transmission
33 of electricity or owning, operating, or controlling transmission facilities. An electric transmission
34 company shall not be subject to regulation as a public utility except as specifically provided in the

1 general laws, but shall be regulated by the federal energy regulatory commission and shall
2 provide transmission service to all nonregulated power producers and customers, whether
3 affiliated or not, on comparable, nondiscriminatory prices and terms. Electric transmission
4 companies shall have the power of eminent domain exercisable following a petition to the
5 commission pursuant to section 39-1-31;

6 (14) "Liquefied natural gas" means a fluid in the liquid state composed predominantly of
7 methane and which may contain minor quantities of ethane, propane, nitrogen, or other
8 components normally found in natural gas;

9 (15) "Manufacturing customers" means all customers that have on file with an electric
10 distribution company a valid certificate of exemption from the Rhode Island sales tax indicating
11 the customer's status as a manufacturer pursuant to section 44-18-30;

12 (16) "Motor carriers" means any carrier regulated by the administrator pursuant to
13 Chapters 3, 11, 12, 13 and 14 of this title;

14 (17) "Natural gas" means the combustible gaseous mixture of low-molecular-weight,
15 paraffin hydrocarbons, generated below the surface of the earth containing mostly methane and
16 ethane with small amounts of propane, butane, and hydrocarbons, and sometimes nitrogen,
17 carbon dioxide, hydrogen sulfide, and helium;

18 (18) "Nonprofit housing development corporation" means a nonprofit corporation, which
19 has been approved as a section 501(c)(3), 26 U.S.C. section 501(c)(3), corporation by the internal
20 revenue service, and which is organized and operated primarily for the purpose of providing
21 housing for low and moderate income persons;

22 (19) "Nonregulated power producer" means a company engaging in the business of
23 producing, manufacturing, generating, buying, aggregating, marketing or brokering electricity for
24 sale at wholesale or for retail sale to the public; provided however, that companies which
25 negotiate the purchase of electric generation services on behalf of customers and do not engage in
26 the purchase and resale of electric generation services shall be excluded from this definition. A
27 nonregulated power producer shall not be subject to regulation as a public utility except as
28 specifically provided in the general laws;

29 (20) "Public utility" means and includes every company that is an electric distribution
30 company and every company operating or doing business in intrastate commerce and in this state
31 as a railroad, street railway, common carrier, gas, liquefied natural gas, water, telephone,
32 telegraph, and pipeline company, and every company owning, leasing, maintaining, managing, or
33 controlling any plant or equipment or any part of any plant or equipment within this state for
34 manufacturing, producing, transmitting, distributing, delivering, or furnishing natural or

1 manufactured gas, directly or indirectly to or for the public, or any cars or equipment employed
2 on or in connection with any railroad or street railway for public or general use within this state,
3 or any pipes, mains, poles, wires, conduits, fixtures, through, over, across, under, or along any
4 public highways, parkways or streets, public lands, waters, or parks for the transmission,
5 transportation, or distribution of gas for sale to the public for light, heat, cooling, or power for
6 providing audio or visual telephonic or telegraphic communication service within this state or any
7 pond, lake, reservoir, stream, well, or distributing plant or system employed for the distribution of
8 water to the consuming public within this state including the water supply board of the city of
9 Providence; provided, that, except as provided in section 39-16-9 and in chapter 2072 of the
10 public laws, 1933, as amended, this definition shall not be construed to apply to any public
11 waterworks or water service owned and furnished by any city, town, water district, fire district, or
12 any other municipal or quasi-municipal corporation, excepting the water supply board of the city
13 of Providence, unless any city, town, water district, fire district, municipal, or quasi-municipal
14 corporation obtains water from a source owned or leased by the water resources board, either
15 directly or indirectly, or obtains a loan from the board pursuant to the provisions of chapter 15 of
16 title 46, or sells water, on a wholesale or retail basis, inside and outside the territorial limits of the
17 city or town, water district, fire district, municipal or quasi-municipal corporation, except,
18 however, that a public waterworks or water service owned and furnished by any city, town, water
19 district, fire district, or any other municipal or quasi-municipal corporation which sells water, on
20 a wholesale or retail basis, inside and outside its territorial limits shall not be construed as a
21 public utility if it has fewer than one-thousand five hundred (1500) total customer service
22 connections and provided outside sales do not exceed ten percent (10%) of the total water service
23 connections or volumetric sales and provided the price charged to outside customers, per unit of
24 water, is not greater than the price charged to inside customers for the same unit of water, nor to
25 the Rhode Island public transit authority, or to the production and/or distribution of steam, heat,
26 or water by Rhode Island port authority and economic development corporation in the town of
27 North Kingstown; and the term "public utility" shall also mean and include the Narragansett Bay
28 water quality management district commission; and provided that the ownership or operation of a
29 facility by a company which dispenses alternative fuel or energy sources at retail for use as a
30 motor vehicle fuel or energy source, and the dispensing of alternative fuel or energy sources at
31 retail from such a facility, does not make the company a public utility within the meaning of this
32 title solely because of that ownership, operation, or sale; and provided further that this exemption
33 shall not apply to presently regulated public utilities which sell natural gas or are dispensers of
34 other energy sources; and provided further, that the term "public utility" shall not include any

1 company;

2 (i) Producing or distributing steam or heat from a fossil fuel fired cogeneration plant
3 located at the university of Rhode Island South Kingstown, Rhode Island and

4 (ii) Producing and/or distributing thermal energy and/or electricity to a state owned
5 facility from a plant located on an adjacent site regardless of whether steam lines cross a public
6 highway.

7 (21) "Purchasing cooperatives" shall mean any association of electricity consumers
8 which join for the purpose of negotiating the purchase of power from a nonregulated power
9 producer, provided however, that purchasing cooperatives shall not be required to be legal entities
10 and are prohibited from being engaged in the re-sale of electric power;

11 (22) "Railroad" means and includes every railroad other than a street railway, by
12 whatsoever power operated for public use in the conveyance in this state of persons or property
13 for compensation, with all bridges, ferries, tunnels, switches, spurs, tracks, stations, wharves, and
14 terminal facilities of every kind, used, operated, controlled, leased, or owned by or in connection
15 with any railroad;

16 (23) "Retail access" means the use of transmission and distribution facilities owned by
17 an electric transmission company or an electric distribution company to transport electricity sold
18 by a nonregulated power producer to retail customers pursuant to section 39-1-27.3;

19 (24) "Street railway" means and includes every railway by whatsoever power operated or
20 any extension or extensions, branch, or branches thereof, for public use in the conveyance in this
21 state of persons or property for compensation, being mainly upon, along, above, or below any
22 street, avenue, road, highway, bridge, or public place in any city or town, and including all
23 switches, spurs, tracks, rights of trackage, subways, tunnels, stations, terminals and terminal
24 facilities of every kind, used, operated, controlled, or owned by or in connection with any street
25 railway;

26 (25) "Transmission facility" means plant or equipment used for the transmission of
27 electricity as determined by the federal energy regulatory commission pursuant to federal law as
28 of the date of the property transfers pursuant to section 39-1-27(c);

29 (26) Notwithstanding any provision of this section or any provision of the act entitled,
30 "An Act Relating to the Utility Restructuring Act of 1996" (hereinafter "Utility Restructuring
31 Act"), upon request by the affected electric utility, the commission may exempt from the Utility
32 Restructuring Act or any provision(s) thereof, an electric utility which meets the following
33 requirements: (i) the utility is not selling or distributing electricity outside of the service territory
34 in effect for that utility on the date of passage of the Utility Restructuring Act; and (ii) the number

1 of kilowatt hours sold or distributed annually by the utility to the public is less than five percent
2 (5%) of the total kilowatt hours consumed annually by the state. Provided however that nothing
3 contained in this section shall prevent the commission from allowing competition in the
4 generation of electricity in service territories of utilities exempted in whole or in part from the
5 Utility Restructuring Act pursuant to this section, as long as such allowance of competition is
6 conditioned upon payment to the exempted electric utility of a nonbypassable transition charge
7 calculated to recover the elements comparable in nature to the elements in section 39-1-27.4(b)
8 and (c) taking into consideration any unique circumstances applicable to the exempted electric
9 utility;

10 (27) “Energy affordability fund” means the fund established pursuant to the provisions of
11 chapter 39-27;

12 (28) “Heating assistance plan” means the heating assistance plan provided for and
13 established pursuant to the provisions of section 39-27-10;

14 (29) “State energy office” means the state energy office established pursuant to the
15 provisions of section 42-11-22.

16 SECTION 2. Chapter 39-1 of the General Laws entitled “Public Utilities Commission” is
17 hereby amended by adding thereto the following section:

18 **39-1-7.1. Oversight of the Energy Affordability Fund. – The commission shall have**
19 **the power to:**

20 (a) Approve, amend, modify, or reject:

21 (1) The operations plan of the Energy Affordability Fund;

22 (2) Charges and rates imposed on public utilities and other entities for the support of the
23 Energy Affordability Fund, subject to the provisions and limits established in section 39-27-8;

24 (3) Agreements between the Energy Affordability Fund and public utilities and other
25 entities for the receipt funds to support the fund; and

26 (4) The annual disbursement plan of the Energy Affordability Fund to assist low income
27 households achieve energy affordability, as provided for in section 39-27-10.

28 (b) Require public reports by the Energy Affordability Fund concerning its operations
29 and finances; and

30 (c) Determine whether the Energy Affordability Fund is achieving its purposes and to
31 report the findings and recommendations with regard to the effectiveness of the pilot program for
32 Heating Assistance and the feasibility of establishing a permanent Heating Assistance Plan to the
33 Governor, the Speaker of the House, and the Senate President by January 15, 2009.

34 SECTION 3. Chapter 39-2 of the General Laws entitled “Duties of Utilities and Carriers”

1 is hereby amended by adding thereto the following section:

2 **39-2-1.5. Utility rates -- affordable energy assistance.** -- Each electric distribution
3 company and each gas company providing electricity or gas in this state shall include in its rates,
4 in accordance with agreements approved by the Commission, charges not to exceed those set
5 forth in subsection 39-27-8(b)(4) for the purposes of providing household heating in an affordable
6 manner to eligible households, which charges shall be used to support the Energy Affordability
7 Fund.

8 SECTION 4. Section 39-3-33 of the General Laws in Chapter 39-3 entitled "Regulatory
9 Powers of Administration" is hereby amended to read as follows:

10 **39-3-33. Rules of division.** -- The division shall make such reasonable rules as will aid in
11 the administration and enforcement of chapters 1 -- 5 of this title.

12 SECTION 5. Title 39 of the General Laws entitled "Public Utilities and Carriers" is
13 hereby amended by adding thereto the following chapter:

14 CHAPTER 27

15 ENERGY AFFORDABILITY FUND CORPORATION -- HEATING ASSISTANCE PLAN

16 **39-27-1. Legislative findings.** -- The General Assembly finds and declares that:

17 (a) The cost of energy, including specifically the cost of oil, gas, and electricity used for
18 home heating, has risen substantially during the period 2001-2005 and that the cost of such
19 energy could continue to increase over the long-term at rate greater than the increase in income of
20 low and moderate income households;

21 (b) Low income households are increasingly unable to afford oil, gas, and electrical
22 energy at a reasonable portion of household income;

23 (c) The inability of low income households to afford energy for heating increases
24 arrears and bad debt for regulated gas and electric companies and uncollectible bills for home
25 heating oil companies in a manner that adds to costs charged to and borne by other customers;

26 (d) It is in the interest of the people of the state, as a matter of health and welfare, to
27 provide for the affordability of energy for essential home heating at a reasonable percentage of
28 income for households in the state, with priority to those with the least ability to pay for the cost
29 of home heating at a reasonable percentage of household income.

30 **39-27-2. Creation.** -- (a) There is authorized, created, and established a public
31 corporation of the state having a distinct legal existence from the state and not constituting a
32 department of state government, which is a governmental agency and public instrumentality of
33 the state, to be known as the "Energy Affordability Fund Corporation" with those powers and
34 purposes that are set forth in this chapter, with the objectives of providing for, promoting and

1 encouraging the affordability of energy by households, especially low income households, in the
2 state; of promoting the viability of entities that provide energy to low income households in the
3 state, and thereby of promoting and securing the general welfare of the citizens of the state.

4 (b) The exercise by the corporation of the powers conferred by this chapter shall be
5 deemed and held to be the performance of an essential governmental function of the state for
6 public purposes. It is the intent of the general assembly by the passage of this chapter to vest in
7 the corporation all powers, authority, rights, privileges, and titles which may be necessary to
8 enable it to accomplish the purposes herein set forth, and this chapter and the powers granted
9 hereby shall be liberally construed in conformity with those purposes.

10 (c) The corporation and its corporate existence shall continue until terminated by law or
11 until the corporation shall cease to conduct or be involved in any business whatsoever in
12 furtherance of its purposes; provided, that no termination shall take effect, so long as the
13 corporation shall have bonds, notes, or other obligations outstanding, unless adequate provisions
14 shall have been made for the payment thereof pursuant to the documents securing the obligations
15 or pursuant to the terminating law. Upon termination of the existence of the corporation, all of its
16 rights and properties shall be returned to rate payers or pass to and be vested in the state for the
17 purposes of providing energy assistance. At no time shall the assets or other property of the
18 corporation inure to the benefit of any person or other corporation or entity.

19 **39-27-3. Purposes.** – The purposes of the corporation shall be to assist households
20 especially low income households, to pay for energy costs for home heating at a reasonable
21 percentage of household income; to reduce and/or minimize the levels of arrearages, bad debt,
22 past-due and uncollectible bills for energy for home heating that are attributable to households
23 with incomes insufficient to pay for the cost of home heating at a reasonable percentage of
24 household income; and to enhance the viability of companies providing gas, oil, and electricity
25 for home heating by reducing the burden on such companies of low income households that
26 cannot afford to pay for the cost of home heating at a reasonable percentage of household income.

27 **39-27-4. Definitions.** – (a) As used in this chapter, words and terms, shall have the
28 meaning set forth in section 39-1-2 unless this chapter provides a different meaning or unless the
29 context indicates a different meaning or intent.

30 (b) Within this chapter, the following words and terms shall have the following meanings
31 unless the context indicates a different meaning or intent:

32 (1) “Annual heating budget” shall mean an agreement between an eligibility
33 administrator and a participating household with regard to the projected annual home heating
34 requirements for a period commencing November 1 and concluding the following October 31,

1 with due consideration of previous usage and reasonable goals for energy conservation, the
2 projected cost of energy for home heating, and the payments on a monthly and an aggregated
3 annual bases due from the household for home heating costs during said period. An annual
4 heating budget may be amended, inconsistent with standards for such amendments set forth in the
5 operations plan then in effect, by mutual agreement of a participating household and an eligibility
6 administrator if there has been a significant change in circumstances and/or conditions affecting
7 the matters covered by the annual heating budget;

8 (2) “Case management” shall mean guidance provided by an eligibility administrator to a
9 participating household, including, but not limited to, guidance with regard to managing energy
10 usage for home heating and other purposes; assistance available for energy costs; implementing
11 an annual heating budget and making amendments to such a budget as necessary and/or
12 appropriate; financial obligations of the household for paying for the cost of energy,
13 communications between the household, its home heating energy provider, the eligibility
14 administrator, and other entities providing assistance to the household for home heating and
15 energy, and the terms and conditions for receiving assistance under this chapter and other
16 programs for home heating and energy costs;

17 (3) “Corporation” shall mean the Energy Affordability Fund established by this chapter;

18 (4) “Disbursement agreement” shall mean an agreement between the corporation and a
19 home heating energy provider for payments on behalf of participating households;

20 (5) “Eligibility administrator” shall mean a community action program or any other entity
21 designated in an operations plan to solicit, accept, evaluate, approve or reject applications by
22 households for heating assistance under the provisions of this chapter, to provide case
23 management services, and to enter in agreements as necessary with the corporation or the state
24 energy office to receive and disburse funds as provided by agreement in order to implement an
25 operations plan;

26 (6) “Fund revenue agreement” shall mean an agreement, in a form approved by the
27 commission, between the corporation and an entity obligated by section 39-27-8 setting forth the
28 terms and conditions for payment of funds into trust accounts for the purposes of implementing
29 the provisions of this chapter;

30 (7) “Home heating energy provider” shall mean an electric distribution company, a gas
31 company, a home heating oil company or any other entity that provides energy at retail to
32 households for purposes of home heating;

33 (8) “Household” shall mean a group of people who dwell under the same roof;

34 (9) “LIHEAP” shall mean the Federal Low Income Household Energy Assistance

1 Program; and

2 (10) "Participating household" shall mean a household that meets the eligibility criteria
3 established by the corporation for participating in a heating assistance plan and that has been
4 approved for participation by an eligibility administrator; any household that fails to comply with
5 requirements of and/or terms and conditions for programs under this chapter shall not be a
6 participating household.

7 **39-27-5. Directors, officers and employees. – (a) Directors.**

8 (1) The powers of the corporation shall be vested in a board of directors consisting of
9 nine (9) members: six (6) public members appointed by the governor with the advice and consent
10 of the Senate, and three, ex-officio voting members: the director of the department of
11 administration, the director of the department of human services, and the executive director of the
12 Rhode Island economic development corporation. The ex-officio members may designate in
13 writing a person from their agency to serve in their stead. The initial public members of the board
14 shall be divided into three classes and shall serve initial terms on the board of directors as
15 follows: two (2) of the directors appointed by the governor an initial term of two (2) years; two
16 (2) of the directors shall be appointed to an initial term of three (3) years; and two (2) of the
17 directors shall be appointed to an initial term of four (4) years. Upon expiration of each initial
18 term and upon the expiration of each term thereafter, a successor shall be appointed by the
19 governor with the advice and consent of the senate, to serve for a term of three (3) years. A
20 vacancy on the board, other than by expiration, shall be filled in the same manner as an original
21 appointment, but only for the unexpired portion of the term. If a vacancy occurs with respect to
22 one of the directors appointed by the governor when the senate is not in session, the governor
23 shall appoint a person to fill the vacancy, but only until the senate shall next convene and give its
24 advice and consent to a new appointment. Appointed directors shall not serve more than three (3)
25 successive terms but may be reappointed after not being a director for a period of at least twelve
26 (12) months. Each appointed director shall hold office for the term for which the director is
27 appointed and until the director's successor shall have been appointed and qualified, or until the
28 director's earlier death, resignation or removal.

29 (2) The directors shall receive no compensation for the performance of their duties under
30 this chapter, but each director shall be reimbursed for his or her reasonable expenses incurred in
31 carrying out those duties. A director may engage in private employment, or in a profession or
32 business.

33 (3) Meetings. An annual meeting of the directors shall be held during the month of
34 September of each year for the purposes of electing and appointing officers and reviewing and

1 considering for approval the budget and the operating plan of the corporation. Regular meetings
2 of the directors shall be held at least once in each calendar quarter, at the call of the chairperson
3 or secretary, or in accordance with an annual schedule of meetings adopted by the board. Special
4 meetings may be called for any purposes by the chairperson or the secretary and as provided for
5 in the bylaws of the corporation.

6 (4) A majority of the directors then in office, but not less than five (5) directors, shall
7 constitute a quorum, and any action to be taken by the corporation under the provisions of this
8 chapter, may be authorized by resolution approved by a majority of the directors present and
9 entitled to a vote at any regular or special meeting at which a quorum is present. A vacancy in the
10 membership of the board of directors shall not impair the right of a quorum to exercise all of the
11 rights and perform all of the duties of the corporation.

12 (5) Any action taken by the corporation under the provisions of this chapter may be
13 authorized by a vote at any regular or special meeting, and each vote shall take effect
14 immediately.

15 (6) The board of directors shall establish an audit committee and a governance
16 committee, which shall advise: (i) the board with the respect to the best practices of governance;
17 and (ii) the board, members of the board, and officers with respect to conflicts of interest,
18 corporate ethics and responsibilities, and the maintenance of the public trust; the members of the
19 audit committee and the governance committee shall be appointed by the chairperson with the
20 advice of the board of directors. In addition to the audit and the governance committee, the board
21 may establish by-laws or with the approval of the chairperson such other committees as it deems
22 appropriate.

23 (b) Officers. The officers of the corporation shall include a chairperson, a managing
24 director who shall be the chief executive officer of the corporation, a vice-chairperson, a
25 secretary, and a finance director, as herein provided, and such other officers as the board may
26 from time to time establish.

27 (1) Chairperson. The chairperson of the board shall be appointed by the governor.

28 (2) Managing director. The chief executive officer of the corporation shall be managing
29 director of the corporation, who shall be appointed by the chairperson, with the concurrence of
30 the director of the department of administration. The managing director may be an employee of
31 the department of administration.

32 (3) Vice-chairperson. The board of directors shall from among its members elect a vice-
33 chairperson who shall preside at meetings in the absence of the chairperson and have such other
34 duties and powers as the directors may from time to time prescribe.

1 (4) Other officers. The board shall appoint a secretary, a director of finance, the duties of
2 whom shall be prescribed in the by-laws of the corporation, and such additional officers and staff
3 members as they shall deem appropriate and shall determine the amount of reasonable
4 compensation, if any, each shall receive.

5 (5) With the exception of the chairperson, any number of offices may be held by the same
6 person, unless the bylaws provide otherwise.

7 (c) Employees.

8 (1) The corporation may have such numbers and types of employees as the board, with
9 the approval of the chairperson, shall determine upon the recommendation of the director of
10 administration. The board, upon the recommendation of the managing director, may authorize
11 entering into agreements with state agencies including the state energy office for any duties or
12 functions to be performed by employees, staff, or agents of the corporation. To the extent feasible
13 and efficient, existing staff capacities of the state shall be used by agreement to operate and
14 manage the programs of the corporation.

15 (2) No full-time employee of the corporation shall, during the period of his or her
16 employment by the corporation, engage in any other private employment, profession or business,
17 except with the approval of the board of directors.

18 (3) With the exception of employees subject to an agreement with the state energy office,
19 employees of the corporation shall not, by reason of their employment, be deemed to be
20 employees of the state for any purpose, any other provision of the general laws to the contrary
21 notwithstanding, and including, without limiting, the generality of the foregoing, chapters 29, 39,
22 and 42 of title 28 and chapters 4, 8,9 and 10 of title 36.

23 **39-27-6. Powers.** – (a) The corporation has all of the powers to do all of the things
24 necessary and convenient to carry out and effectuate the purposes and provisions of this chapter,
25 including, without limiting, the generality of the foregoing, the powers:

26 (1) To adopt and amend by-laws for the governance of its affairs, the administration of its
27 assets, and the conduct of its business;

28 (2) To adopt an official seal;

29 (3) To maintain an office at a place or places it may determine;

30 (4) To adopt a fiscal year which coincides with the state’s fiscal year;

31 (5) To adopt and enforce procedures, regulations, and rules in connection with the
32 performance of its functions and duties;

33 (6) To sue in any court of competent jurisdiction, to prosecute and defend actions relating
34 to its property and affairs; provided, however, that the corporation is not authorized to become a

1 debtor under the United States Bankruptcy Code;

2 (7) To employ personnel and to engage accounting, management, legal, financial,
3 consulting, and other professional services;

4 (8) To receive and apply its revenues in furtherance of the purposes of this chapter, or the
5 exercise of its powers, and payment of all costs incurred in connection therewith without
6 appropriation or allotment by the state or any political subdivision thereof;

7 (9) To borrow money, including short-term start up borrowing from the state;

8 (10) To issue bonds and apply the proceeds thereof as provided in this chapter and to
9 pledge or assign or create security interests in assets, revenues, funds, and other property of the
10 corporation and otherwise as provided in this chapter to pay or secure such bonds;

11 (11) To deposit, invest, and reinvest any funds held in reserves, or any revenues or funds
12 not required for immediate disbursement, in depository institutions and/or investments,
13 obligations and securities, respectively, as may be legal and prudent investments for funds of the
14 state, and pay fees thereof and receive interest thereon;

15 (12) To obtain insurance including fidelity bonds for employees and to enter into
16 agreements of indemnification necessary or convenient to the exercise of its powers under this
17 chapter;

18 (13) To apply for, receive, administer, and comply with the conditions and requirements
19 respecting any grant, gift, or appropriation of property, services, or moneys;

20 (14) To enter into contracts, arrangements, and agreements with other persons, and to
21 modify or consent to the modification of any of the foregoing to which the corporation is a party
22 or in which the corporation has an interest under this chapter, and execute and deliver all
23 instruments necessary or convenient to the exercise of its powers under this chapter;

24 (15) To authorize a representative to appear on its own behalf before other public bodies
25 in all matters relating to its powers and purposes; and

26 (16) To exercise those powers granted to corporations organized under chapter 1.1 of title
27 7.

28 (b) Notwithstanding any other provision of this chapter, the corporation shall not have the
29 power of a bank or trust company within the jurisdiction or under the control of the department of
30 business regulation of the state, or its director, the comptroller of the currency of the United
31 States or the treasury department of the United States.

32 **39-27-7. Additional general powers. – [Reserved]**

33 **39-27-8. Funds and accounts. – (a) All money received pursuant to the authority of this**
34 **chapter, whether as proceeds from the sale of bonds or notes or as revenues, receipts, or income,**

1 shall be trust funds to be held and applied solely as provided in this chapter. Any officer with
2 whom, or any bank or trust company with which, any money shall be deposited as trustee of it
3 shall hold and apply the money for its purposes, subject to the applicable provisions of this
4 chapter.

5 (b) Except for pro-rata charges to support the administration of the corporation, programs
6 established by the corporation pursuant to this chapter, and as necessary , the emergency fund
7 provided for in subsection 39-27-10(g), funds received into the following accounts shall not be
8 commingled.

9 (1) Electric heating account. To support energy affordability of households that heat with
10 electricity.

11 (2) Gas heating accounts. To support energy affordability of households that heat with
12 gas.

13 (3) Oil heating account. To support energy affordability of households that heat with oil.

14 (4) Revenues to these accounts shall include, but not be limited to:

15 (A) Electric heating account. Commencing January 1, 2006, each electric distribution
16 company shall include a charge, to be set by the commission, not to exceed twenty-three one
17 thousandths (.023) mill per kilo-watt hour delivered to the electric heating account herein
18 established; this amount shall be a charge to the demand side management and the renewable
19 energy programs established by section 39-2-1.2, and the commission shall have the authority to
20 reduce demand side management and renewable energy programs in a manner that the
21 commission deems would allow for optimal efficiency of those programs.

22 (B) Gas heating account. Commencing January 1, 2006, each gas company shall include
23 in its rates a charge, to be set by the commission, not to exceed two dollars (\$2.00) per customer
24 per month; this charge may be offset, in whole or part, by the commission by an amount that is
25 the product of the ratio of the reduction in bad debt allowable by the commission, which is
26 reasonably attributable to the implementation of the pilot program established pursuant to this
27 subsection to the aggregate amount of the charge herein provided for; the charge may be reduced
28 by commission if the commission determines that the charge is excessive or in whole or part
29 unnecessary.

30 (C) Oil heating account. (a) Commencing January 1, 2006, every owner, subject to the
31 provisions of section 46-12.7-4.1, of petroleum products used for heating shall pay a fee, in
32 accordance with a rate approved by the commission as necessary to support the pro-rata
33 administrative costs of the corporation and the pro-rata share, if any, of the emergency fund
34 provided for in subsection 39-27-10(g), and heating assistance costs for households using oil heat

1 that may be incurred by the corporation pursuant to an operations plan as provided for in
2 subsection 39-27-10(d); provided, however, that such fee shall not to exceed one and one-quarter
3 percent (1.25%) of the whole-sales price of said petroleum products for heating. The fee shall be
4 remitted to the oil heating account on the 30th day of each month based upon the number of
5 gallons and the whole-sale price such petroleum products received during the preceding month.
6 Every owner of petroleum products shall be liable for said fee until it has been paid.

7 (5) Disbursements from these accounts shall be in accordance with operations plan
8 approved by the commission, which may include as necessary or appropriate an annual
9 disbursement plan.

10 (6) The charges and fees authorized by subsection, 39-27-8(b) shall be imposed only to
11 the extent necessary to support the pro-rata administrative costs of the corporation, the emergency
12 fund provided for in subsection 39-27-10(g), and costs to implement operations plans as provided
13 for in subsection 39-27-10(d) and shall terminate not later than December 31, 2009.

14 **39-27-9. Oversight by the public utilities commission. --** The commission shall
15 approve, approve with modifications, or may reject the operations plan, the fund revenue
16 agreement, and the disbursement agreement. The commission shall monitor and evaluate the
17 performance and effectiveness of the pilot program established pursuant to section 39-27-10 and
18 shall report by January 15, 2009, its findings and recommendations with regard to the pilot
19 program and the feasibility of establishing a permanent program to achieve the purposes of this
20 chapter to the governor, the president of the senate, and the speaker of the house.

21 **39-27-10. Heating assistance plan program -- pilot program. --** The corporation shall
22 as explicitly authorized by law develop, adopt, and administer, consistent with an operations plan
23 approved by the commission, a heating assistance plan to accomplish the purposes of this chapter.

24 (a) Pilot Program established. There is hereby authorized and established a pilot program
25 to make energy affordable by eligible low-income households. Except for emergency assistance
26 as provided for in subsection (g) of this section, assistance from the pilot program shall
27 commence November 1, 2006, and shall terminate October 31, 2009.

28 (b) Eligibility. Households with incomes of one hundred twenty-five percent (125%) of
29 the Federal poverty guideline or less that are receiving assistance through the Federal Low
30 Income Household Energy Assistance Program (LIHEAP) for the heating season November 1,
31 2005 through April 15, 2006, shall be eligible to participate in the three (3) year pilot program.
32 Any household that has been terminated from the pilot program shall be ineligible to reapply for
33 the pilot program.

34 (c) Obligations of participants. Participating households shall agree to the following

1 obligations in order to be admitted to participate in the pilot program:

2 (1) that the household shall report, within ten (10) business days, changes in income or
3 financial condition that affect the household's eligibility for heating assistance or its need for
4 heating assistance to the household's eligibility administrator;

5 (2) that the household shall pay four percent (4%) of its total annual gross household
6 income for the cost of heating, which payments shall be apportioned and paid on a monthly basis
7 consistent with the income of the household during the month;

8 (3) that the household shall pay in addition to the four percent (4%) of income set forth
9 above ten dollars (\$10.00) toward any outstanding arrearages or bills for gas, electricity, or
10 heating oil that were outstanding as of November 1, 2006;

11 (4) that the household shall pay from resources available to it any overage above its
12 annual heating budget, with amendments, if any; and

13 (5) that household participation in the pilot program shall be terminated if the household
14 fails to make two or more consecutive monthly payments for heating as established in provisions
15 (2) and (3) of this subsection, unless the household has reported a change in income or financial
16 in accordance with provision (1) of this subsection and has been determined eligible for
17 emergency assistance as provided for in subsection (g) below and that upon termination from the
18 program any and all arrearages and/or past due bills that are outstanding at the time of termination
19 from the program shall be due and payable according to law and/or regulation.

20 (d) Operations plan. The corporation shall recommend to the commission by September
21 30 a proposed operations plan for the heating season commencing November 1 of the year next
22 following the current year. The commission shall provide the corporation its findings and
23 recommendations with regard to the proposed operations plan by January 31 following the
24 submission of the proposed operations plan to the commission. The corporation shall submit to
25 the commission a revised operations plan by May 15, and the commission shall rule on the
26 operations plan not later than June 30. The operations plan shall be effective upon the approval of
27 the commission. The operations plan shall include, but not be limited to:

28 (1) estimates of: (A) the number of households, which under law are eligible for heating
29 assistance pursuant to this chapter; (B) the cost of heating for those households; (C) the amounts
30 of those costs that are likely to be borne by participating households, sources other than the
31 households other than the fund, including LIHEAP, and the fund; and (D) the revenue needs of
32 the fund;

33 (2) proposed fund revenue agreements;

34 (3) proposed eligibility requirements for participating households, which shall include,

1 but no be limited to, such documentation as the corporation may require from a household to
2 prove its eligibility;

3 (4) proposed guidelines for case management;

4 (5) proposed disbursement agreements;

5 (6) proposed guidelines and agreements for payments by participating households and the
6 corporation toward any outstanding arrearages or bills for gas, electricity or heating oil;

7 (7) for the pilot program, proposed provisions to effectuate the following:

8 (A) that payments from the fund in support of the annual heating budget of a participating
9 household shall be the remainder, after payments made in the following order of payment, first
10 from the participating household of not less than four percent (4%) of annual income and second
11 from LIHEAP and LIHEAP matching funds, have been deducted from the annual heating budget
12 of the participating household;

13 (B) that the payment for restoration of service shall be in accordance with the applicable
14 provisions of the commission's regulations for residential payment plans, section V.4.E.1.B in its
15 rules and regulations governing the termination of residential electric, gas and water utility
16 service and that the source of the payment for restoration of service shall be in order from: first
17 the participating household; second LIHEAP; third LIHEAP; matching funds; and fourth the
18 energy affordability fund;

19 (C) that participating households that are gas and/or electric customers that have been
20 restored to service as provided for in provision (B), above, shall have their arrearage balance be
21 the total amount of the arrearage on October 1, 2006, less any payments made pursuant to
22 provision (B) above for the restoration of service on November 1, 2006; the participating
23 household shall pay ten dollars (\$10.00) per month toward this arrearage balance for the thirty-six
24 (36) month period from November 1, 2006, through October 31, 2009, and the corporation shall
25 pay an amount not greater than fifty percent (50%) of the arrearage balance or the total amount of
26 the arrearage balance less three hundred sixty dollars (\$360), which ever amount is the lesser, in
27 equal installments, made not less frequently than once quarterly; any residual arrearage balance
28 after thirty-six (36) monthly payments by the participating household and payments pursuant to
29 this provision by the corporation shall be treated by the commission as an uncollectible receivable
30 and shall be cease to be an obligation of the participating household. At any point when the
31 arreage is paid in full, no further payments shall be due from either the participating household
32 or the corporation.

33 (D) that participating households that are gas and/or electric customers that have
34 arreages but not have had their service terminated, the participating household shall pay ten

1 dollars (\$10.00) per month toward this arrearage balance for the thirty-six (36) month period from
2 November 1, 2006, through October 31, 2009, and the corporation shall pay an amount not
3 greater than fifty percent (50%) of the arrearage balance or the total amount of the arrearage
4 balance less three-hundred sixty dollars (\$360), which ever amount is the lesser, in equal
5 installments, made not less frequently than once quarterly; any residual arrearage balance after
6 thirty-six (36) monthly payments by the participating household and payments pursuant to this
7 provision by the corporation shall be treated by the commission as an uncollectible receivable and
8 shall cease to be an obligation of the participating household. At any point when the arrearage is
9 paid in full, no further payments shall be due from either the participating household or the
10 corporation.

11 (E) that for participating households that are oil heat customers, the annual heating
12 budget shall provide for payments from the participating household as established by subsection
13 39-27-10(c)(2) toward a budget plan for the cost of home heating oil;

14 (F) that for participating households that are oil heat customers and that have past due
15 bills for home heating oil provided to the household during the period November 1, 2004 through
16 October 31, 2005 the participating household shall pay, in addition to the amount specified in
17 subsection (E) above, ten dollars (\$10.00) per month toward such past due bills for the thirty-six
18 (36) month period from November 1, 2006, through October 31, 2009, and the corporation shall
19 pay an amount not greater than fifty percent (50%) of the balance or the total amount of the
20 balance less three-hundred-sixty dollars (\$360), which ever amount is the lesser, in equal
21 installments, made not less frequently than once quarterly. At any point when such past due bills
22 paid in full, no further payments shall be due from either the participating household or the
23 corporation.

24 (G) that for any household that has been terminated from the pilot program, the
25 corporations obligation to make payments toward arrearages or past due bills shall cease effective
26 on the date of the termination; the full balance remaining on any such arrearage or past due bill
27 shall be the responsibility of the household and shall be subject to provisions of law pertaining to
28 collection of such debts.

29 (8) such other matters as the corporation may deem appropriate or the commission may
30 require.

31 (e) Advanced planning. The state energy office is authorized to undertake and engage in
32 advanced planning, with such advisers and advisory bodies as it may deem appropriate, to
33 develop draft materials, including, but not limited to, operations plans, guidelines, rules, by-laws,
34 and agreements for consideration by the corporation necessary or convenient to the

1 implementation of the purposes and/or the provisions of this chapter.

2 (f) LIHEAP contribution. The state energy office shall allocate, consistent with prior
3 practices and law funds from LIHEAP and from funds from other sources to match and/or
4 augment LIHEAP funds to support pilot program participating households in an amount that
5 would be substantially equivalent to the amount of support the household would be eligible to
6 receive from such sources if the household were not participating in the pilot program.

7 (g) Emergency fund. There is hereby authorized and established an emergency fund to be
8 administered by the corporation.

9 (1) The emergency fund shall have as its purposes within the limits of funds available to
10 it:

11 (A) to aid LIHEAP eligible and protected class households that have been shut-off from
12 gas and electrical service and are not restored to service on November 1, 2005, to have such
13 service restored for the heating season November 1, 2005, through April 15, 2006;

14 (B) to provide emergency delivery of home heating oil LIHEAP eligible households
15 during the heating season November 1, 2005, through April 15, 2006;

16 (C) to provide short-term assistance, upon the approval of a participating household's
17 eligibility administrator, to a participating household that experiences an unexpected financial
18 hardship that affects either the households ability to afford home heating of the need of the
19 household for home heating and that has been reported to the household's eligibility
20 administrator.

21 (D) to aid LIHEAP eligible and protected class households that are not participating
22 households and: (i) have been shut-off from gas and electrical service and are not restored to
23 service to have such service restored for the heating seasons beginning November 1, 2006,
24 November 1, 2007, and November 1, 2008; or (ii) that are without heating oil at some point
25 during the heating seasons beginning November 1, 2006, November 1, 2007, and November 1,
26 2008, to obtain an emergency delivery of heating oil.

27 (2) The application by the corporation of funds from the emergency fund shall give
28 priority to households that have made a good faith effort to pay for the cost of home heating with
29 resources and income available to the household. Except as herein provided, the emergency fund
30 shall not constitute an additional or new subsidy to households to replace or be a substitute for
31 resources previously used by the household to meet energy costs unless such resources are no
32 longer available to the household.

33 (3) The corporation shall have the authority to obtain in advance by contract heating oil
34 which may be needed to implement the purposes of the emergency fund.

1 (4) The amount of the emergency fund shall be one hundred thousand dollars (\$100,000)
2 for fiscal year 2006.

3 (h) Permanent program. [Reserved]

4 **39-27-11. Compliance.** – The corporation shall comply with all applicable provisions of
5 law, including, but not limited to:

6 (a) Ethics, chapter 14 of title 36;

7 (b) Opening meetings, chapter 46 of this title;

8 (c) Public records, chapter 2 of title 38;

9 (d) Administrative procedures, chapter 35 of this title; and

10 (e) Governance and financial management of quasi-public corporations, as provided in
11 chapter 18 of title 35 with regard to obligations, financing leases, and guarantees and chapter 2 of
12 title 37 with regard to purchasing principles, policies, and practices, and by sections 35-3-17.1,
13 35-6-37, 35-7-13, 35-7-14, 35-20-6, 35-20-9, 42-11.3-2 in accordance with section 31-3-11 and
14 subsection 42-11.3-4(A).

15 (f) Any all requests for made by the commission in order to fulfill its responsibilities
16 pursuant to this act.

17 **39-27-12. Reporting.** – The corporation shall submit to the governor, the president of the
18 senate, and the speaker of the house, a complete and detailed report, by February 1, 2007, and
19 each February 1 thereafter through February 1, 2010, setting forth: (a) its operations and
20 accomplishments; (b) its receipts and expenditures during the fiscal year in accordance with the
21 categories and classifications established by the corporation for its operating and capital outlay
22 purposes including a listing of all private consultants engaged by the corporation on a contract
23 basis and a statement of the total amount paid to each private consultant; (c) its assets and
24 liabilities at the end of its fiscal year; (d) its operations plan for the current fiscal year and
25 proposed for the next fiscal year; and (e) a general statement of needs and opportunities relevant
26 to its purposes. The reports required by subsections (b) and (c) of this section shall be prepared by
27 independent certified public accountants in accordance with generally accepted principles of
28 accounting.

29 **39-27-13. Liberal construction and inconsistent provisions.** – This chapter, being
30 necessary for the welfare of the state and its inhabitants, shall be liberally construed so as to
31 effectuate its purposes. Insofar as the provisions of this chapter are inconsistent with the
32 provisions of any other law or ordinance, general, special or local, the provisions of this chapter
33 shall be controlling.

34 **39-27-14. Severability.** – If any clause, sentence, paragraph, section, or part of this

1 chapter shall be adjudged by any court of competent jurisdiction to be invalid, that judgment shall
2 not affect, impair, or invalidate the remainder of the chapter but shall be confined in its operation
3 to the clause, sentence, paragraph, section, or part directly involved in the controversy in which
4 that judgment shall have been rendered.

5 SECTION 6. Section 42-11-2 of the General Laws in Chapter 42-11 entitled "Department
6 of Administration" is hereby amended to read as follows:

7 **42-11-2. Powers and duties of department.** -- The department of administration shall
8 have the following powers and duties:

9 (a) To prepare a budget for the several state departments and agencies, subject to the
10 direction and supervision of the governor;

11 (b) To administer the budget for all state departments and agencies, except as
12 specifically exempted by law;

13 (c) To devise, formulate, promulgate, supervise, and control accounting systems,
14 procedures, and methods for the state departments and agencies, conforming to such accounting
15 standards and methods as are prescribed by law;

16 (d) To purchase or to contract for the supplies, materials, articles, equipment, printing,
17 and services needed by state departments and agencies, except as specifically exempted by law;

18 (e) To prescribe standard specifications for those purchases and contracts and to enforce
19 compliance with specifications;

20 (f) To supervise and control the advertising for bids and awards for state purchases;

21 (g) To regulate the requisitioning and storage of purchased items, the disposal of surplus
22 and salvage, and the transfer to or between state departments and agencies of needed supplies,
23 equipment, and materials;

24 (h) To maintain, equip, and keep in repair the state house, state office building, and other
25 premises owned or rented by the state for the use of any department or agency, excepting those
26 buildings, the control of which is vested by law in some other agency;

27 (i) To provide for the periodic inspection, appraisal or inventory of all state buildings and
28 property, real and personal;

29 (j) To require reports from state agencies on the buildings and property in their custody;

30 (k) To issue regulations to govern the protection and custody of the property of the state;

31 (l) To assign office and storage space and to rent and lease land and buildings for the use
32 of the several state departments and agencies in the manner provided by law;

33 (m) To control and supervise the acquisition, operation, maintenance, repair, and
34 replacement of state-owned motor vehicles by state agencies;

1 (n) To maintain and operate central duplicating and mailing service for the several state
2 departments and agencies;

3 (o) To furnish the several departments and agencies of the state with other essential
4 office services;

5 (p) To survey and examine the administration and operation of the state departments and
6 agencies, submitting to the governor proposals to secure greater administrative efficiency and
7 economy, to minimize the duplication of activities, and to effect a better organization and
8 consolidation of functions among state agencies;

9 (q) To assess and collect all taxes levied by the state by virtue of the various laws of the
10 state;

11 (r) To analyze, evaluate, and appraise the tax system of the state, and to make
12 recommendations for its revision in accordance with the best interests of the economy of the
13 state;

14 (s) To operate a merit system of personnel administration and personnel management as
15 defined in section 36-3-3 in connection with the conditions of employment in all state
16 departments and agencies within the classified service;

17 (t) To assign or reassign, with the approval of the governor, any functions, duties, or
18 powers established by this chapter to any agency within the department;

19 (u) To establish, maintain, and operate a data processing center or centers, approve the
20 acquisition and use of electronic data processing services by state agencies, furnish staff
21 assistance in methods, systems and programming work to other state agencies, and arrange for
22 and effect the centralization and consolidation of punch card and electronic data processing
23 equipment and services in order to obtain maximum utilization and efficiency;

24 (v) To devise, formulate, promulgate, supervise, and control a comprehensive and
25 coordinated statewide information system designed to improve the data base used in the
26 management of public resources, to consult and advise with other state departments and agencies
27 and municipalities to assure appropriate and full participation in this system, and to encourage the
28 participation of the various municipalities of this state in this system by providing technical or
29 other appropriate assistance toward establishing, within those municipalities, compatible
30 information systems in order to obtain the maximum effectiveness in the management of public
31 resources;

32 (1) The comprehensive and coordinated statewide information system may include a
33 Rhode Island geographic information system of land-related economic, physical, cultural and
34 natural resources.

1 (2) In order to ensure the continuity of the maintenance and functions of the geographic
2 information system, the general assembly may annually appropriate such sum as it may deem
3 necessary to the department of administration for its support.

4 (w) To administer a statewide planning program including planning assistance to the
5 state departments and agencies;

6 (x) To administer a statewide program of photography and photographic services;

7 (y) To negotiate with public or private educational institutions in the state, in cooperation
8 with the department of health, for state support of medical education;

9 (z) To promote the expansion of markets for recovered material and to maximize their
10 return to productive economic use through the purchase of materials and supplies with recycled
11 content by the state of Rhode Island to the fullest extent practically feasible;

12 (aa) To approve costs as provided in section 23-19-32; and

13 (bb) To provide all necessary civil service tests for child protective investigators and
14 social workers at least twice each year and to maintain an adequate hiring list for these positions
15 at all times.

16 (cc) To prepare a report every three (3) months by all current property leases or rentals
17 by any state or quasi-state agency to include the following information:

18 (1) Name of lessor;

19 (2) Description of the lease (purpose, physical characteristics, and location);

20 (3) Cost of the lease;

21 (4) Amount paid to date;

22 (5) Date initiated;

23 (6) Date covered by the lease.

24 (dd) To provide by December 31, 1995 the availability of automatic direct deposit to any
25 recipient of a state benefit payment, provided that the agency responsible for making that
26 payment generates one thousand (1,000) or more such payments each month.

27 (ee) To operate a division of motor vehicles. The division will be responsible for
28 activities assigned to it by law, including but not limited to, motor vehicle registration, testing and
29 licensing of motor vehicle operators, inspection of motor vehicles, and enforcement of laws
30 relating to the issuance, suspension and revocation of motor vehicle registrations and drivers'
31 licenses. The division shall administer the financial responsibility law. The chief of the division
32 shall use the title and designation "administrator" on all licenses, registrations, orders of
33 suspensions, financial responsibility notices or orders, or any other official documents issued or
34 promulgated by the division.

1 (ff) To operate the Rhode Island division of sheriffs as provided in section 42-11-21.

2 (gg) To operate a statewide child support enforcement program in accordance with title
3 IV-D of the Social Security Act and under title 15 of the Rhode Island general laws.

4 SECTION 7. Chapter 42-11 of the General Laws entitled "Department of
5 Administration" is hereby amended by adding thereto the following section:

6 **42-11-22. State energy office.** – A state energy office is hereby established within the
7 department of administration. This office shall be responsible for energy-related programs,
8 activities, projects, and grants. The office shall administer programs for: (a) heating and energy
9 assistance to eligible persons and households; (b) weatherization and energy efficiency for
10 eligible persons and households; (c) energy conservation; (d) renewable energy; (e) energy and
11 fuel supply monitoring and information; and (f) such other responsibilities as may be assigned by
12 the director, the governor, or by law.

13 SECTION 8. This act shall take effect on July 1, 2005.

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LC03446
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC UTILITIES

1 This act would establish several funds and entities designed to provide affordable energy
2 costs to the people of the state. The act would include creating a new state energy office, and an
3 energy affordability fund, and the energy affordability fund corporation.

4 This act would take effect on July 1, 2005.

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