



STATE OF RHODE ISLAND  
OFFICE OF GOVERNOR DANIEL J. MCKEE

September 26, 2023

TO THE HONORABLE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES:

In accordance with the provisions of Rhode Island General Laws § 43-1-4, I am transmitting herewith my disapproval, 2023 – H 6494 As Amended, “An Act Relating to Public Utilities and Carriers – Rhode Island Utility Fair Share Roadway Repair Act.”

This bill would prohibit utilities from using ratepayer funds to pay for necessary road restoration/repairs on state roads or state rights-of-ways if the work was not done in accord with the State Transportation Improvement Program (STIP), a long-range program for improving roads and transportation infrastructure in Rhode Island. The bill would also prohibit a utility from assessing road repair costs to a homeowner for residential utility projects while also prohibiting the utility from recovering those costs from ratepayers or consumers under any circumstances.

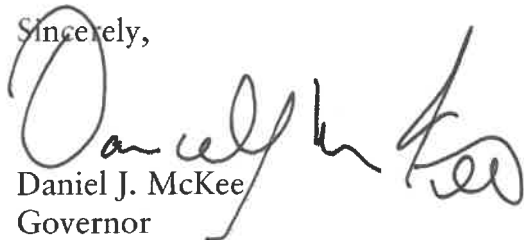
The coordination of public utility infrastructure projects with the STIP is an important policy objective. But this bill elevates coordination with the STIP over all other priorities in supplying critical utilities to consumers, including their emergency repair. **If this bill were to become law, it would effectively prevent many utilities, including water and sewer, from making important upgrades and emergency repairs to the State’s critical utility infrastructure.** For example, Providence Water is responsible for providing affordable, high quality drinking water to more than 600,000 retail and wholesale consumers. It is prohibited by the Rhode Island Public Utilities Commission from making a profit and its operating budget is financed entirely by water rates. If this bill were to pass, Providence Water – and many other utilities – would have no mechanism to fund necessary road repairs incurred during critical infrastructure work such as water main rehabilitation and lead service line replacement. The same is true for emergency repairs which must be made whenever they occur, not just when an adjacent road is scheduled to be improved. Without ratepayer funding, utilities like Providence Water would have to abandon any upgrades and emergency repairs that did not coincide with existing STIP work. Utilities would invest less in infrastructure resulting in reduced safety and reliability over time.

Another provision of the bill prohibits a utility from passing along the state road repair expense of a residential utility project to the homeowner. This provision would have a serious impact on projects that are performed at the request of the homeowners or on other critical projects like lead service replacements.

While I am eager to minimize disruptions to state roadways, **I cannot support legislation that would hinder the implementation of federally-funded projects that improve the quality of life for all Rhode Islanders, particularly funds to replace lead pipes and improve broadband service across the state.** The health of our children and enhancement of public infrastructure is too important to jeopardize millions of time-limited federal dollars that will improve quality of life in our state. I have spoken to the Speaker of the House and the President of the Senate about my concerns about this bill. We are all in agreement that it is important to coordinate, to the greatest extent possible, utility work with road work being carried out pursuant to the STIP, without undermining critical state utility infrastructure and the consumers who depend on it. I do not believe this bill achieves those ends.

I am committed to working with the General Assembly and stakeholders including the Department of Transportation, the Division of Public Utilities and Carriers, the Public Utilities Commission, and impacted utilities to redraft this bill so that construction projects can be coordinated to minimize disruptions for residents and businesses, improve public health and safety, and enhance utility services for all Rhode Islanders. For all these reasons, I disapprove of this legislation and respectfully urge your support of this veto.

Sincerely,



Daniel J. McKee  
Governor