



**STATE OF RHODE ISLAND**  
DIVISION OF PUBLIC UTILITIES & CARRIERS  
89 Jefferson Boulevard, Warwick, Rhode Island 02888

## **AGENCY OVERVIEW**

### **DIVISION OF PUBLIC UTILITIES & CARRIERS** \_\_\_\_\_ (JANUARY 2023)

#### **The Division and Commission are Different Agencies**

The Division of Public Utilities and Carriers (Division) was disjoined from the Public Utilities Commission (Commission) through passage of the Rhode Island Utility Restructuring Act (URA) of 1996. Prior to the passage of the URA, the Chairperson of the Commission acted as the Administrator of the Division. The URA established the Division as a separately managed regulatory body that works independently-yet-cooperatively with the Commission to achieve the state’s collective utility and transportation regulatory goals as set forth in R.I.G.L. §39-1-1, et seq. That is: “to provide fair regulation of public utilities and carriers in the interest of the public, to promote availability of adequate, efficient, and economical energy, communication, and transportation services and water supplies to the inhabitants of the state, to provide just and reasonable rates and charges for such services and supplies, without unjust discrimination, undue preferences or advantages, or unfair or destructive competitive practices.”

The Division is headed by an Administrator, who is not a commissioner, appointed by the Governor and confirmed by the State Senate for a 6-year term, and statutorily declared to be an indispensable party to all Commission matters. One of the Division’s functions is to serve the Commission by “bringing to it all relevant evidence to allow the Commission to reach a just result,” [See *Providence Gas Co. v. Burke*, 419 A.2d 263 (1980)] to function as the enforcement arm of the Commission, and also to exercise “jurisdiction over all regulatory matters not specifically assigned to the Commission” [R.I.G.L. §39-1-3].

To that end, the Division is an active party in all Commission proceedings connected to electric distribution service, natural gas service, regulated telecommunications services, and ferry services. In ratemaking matters before the Commission, the Division is responsible for serving as the “ratepayer advocate” to assist the Commission in rendering a fair and equitable decision. Additionally, the Division is responsible for enforcing Commission rulings relative to rates, service, reliability, and safety of utility services. In this capacity, the Division defends all Commission decisions that are appealed to the Court.

#### **The Division’s Independent Authority**

In addition to its party status before the Commission, the Division has exclusive and plenary jurisdiction over the State’s adherence to federally mandated pipeline safety programs for natural gas distribution systems (the storage, transportation and distribution of natural gas); cable television licensing and public access; all utility matters before federal agencies; the State’s interest in regional energy matters; non-regulated power producers; transactions between utilities, and between utilities and affiliates; the issuance, by utilities, of bonds, loans and other evidences of indebtedness; excavations near underground utility facilities; electric and gas utility emergency response plans; utilities’ collection practices; as well as the licensing and regulating of all for-hire motor carriers transporting passengers or property from point-to-point within Rhode Island (intrastate). Such passenger carriers include ferry companies, taxicabs, public motor vehicles, jitneys, and transportation network companies (like Uber and Lyft); such property carriers include ferry companies, towing companies, household goods movers, courier services, tanker trucks transporting petroleum and non-petroleum products, and bulk commodity (sand, gravel, mulch, etc.) carriers. The Division also has broad authority over the water services and water quality provided by the State’s largest water utilities (i.e., Providence, Kent County, Pawtucket, Newport, Woonsocket, and Veolia Water – Rhode Island); railroads; and the R.I. Telecommunications Education Access Fund. The Division and

Commission each possess a role in ensuring the safety and reliability of infrastructure used by electric and gas distribution utilities in Rhode Island.

To carry out its charges under the law, the Division has police powers and broad authority to promulgate rules and regulations; issue subpoenas; conduct audits and investigations; fix standards for service; require utilities to furnish safe, reasonable, and adequate services and facilities; prescribe a system of forms and accounts; and require information on utility bills.

**Funding**

Although the Division is considered an agency under the Department of Administration, it is not funded through the State's General Fund. Rather the Division's normal operational and capital resources are derived, primarily, through assessments to large regulated utilities, in accordance with R.I.G.L. §39-1-23. Such funding mechanisms are commonplace for state utility regulatory agencies throughout the nation. Moreover, funding of the Division's considerable participation in Commission rate proceedings is derived through a similar assessment mechanism linked to the utility specific to that proceeding, in accordance with R.I.G.L. §39-1-26. Some funding is also provided by the federal government to ensure the Division's enforcement of state and federal pipeline safety requirements.