



For a thriving New England

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August 17, 2017

Honorable Jorge O. Elorza, Mayor
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Mayor Elorza:

On August 11, 2017, Michael Sabatoni, President of the R.I. Building and Construction Trades Council, emailed you a letter pertaining to the pending Superior Court litigation regarding the water contract between the Town of Johnston and Invenergy. That pending lawsuit was brought by Conservation Law Foundation (CLF) and the Town of Burrillville (Burrillville). As you know, pursuant to an Order of the Superior Court, CLF and Burrillville have added the City of Providence (Providence) as a defendant in the case. In his August 11 letter, Mr. Sabatoni urged Providence not to become a plaintiff in the lawsuit.

There is much inaccurate information in Mr. Sabatoni's letter. While I need not correct every small error, I do want to address four major points.

First, and perhaps most crucially, Mr. Sabatoni urges Providence not to become involved in the pending Superior Court case because "[b]ecoming a party to litigation will cost the City [Providence] resources that could certainly be used for other pressing needs." However, Providence does not have a choice whether or not to become involved. The Superior Court ordered CLF and Burrillville to add Providence as a defendant, and CLF and Burrillville did what the Court ordered. Nevertheless, Providence does have a choice on what position it will take in the lawsuit. If Providence stays a defendant, then it will be aligned with Invenergy arguing that the water contract between Invenergy and Johnston is legal. If Providence re-aligns as a plaintiff, then it will be siding with CLF and Burrillville arguing that the contract is not legal. Aligning with Invenergy would be contrary to your own public position on Invenergy and contrary to the City Council Resolution opposing Invenergy; siding with CLF and Burrillville would be consistent with both your position and the City Council Resolution.

Second, Mr. Sabatoni says that "National Grid has just requested a 53% rate increase" and implies that building Invenergy might somehow have an effect on that. Mr. Sabatoni is just wrong. What is being portrayed as a "rate hike" is primarily a true-up of Grid's normal pass-through to ratepayers of the commodity cost of electricity. These true-ups happen several times a year and it



is not at all uncommon for several consecutive true-ups to reflect a cut in rates. In fact, the cost of electricity in Rhode Island has remained around 6¢ to 7¢ per kilowatt hour for years. The overall commodity cost of electricity in Rhode Island has been remarkably stable for some years.

The bottom line is that building Invenergy (or not building Invenergy) will have virtually no impact on the commodity cost of electricity in Rhode Island. In his letter, Mr. Sabatoni did not say that building (or not building) Invenergy would have any effect at all on Grid's supposed "rate hike." Instead, he seemed to raise the specter of the "rate hike" to stoke fear and leaves the reader to draw her own conclusions. But folks who know the facts will not be likely to fall for fear-mongering.

Third, Mr. Sabatoni says that "This [Invenergy] is the largest construction project in the history of our state." In his pre-filed testimony with the Energy Facility Siting Board (EFSB), Mr. Sabatoni urges approval of the Invenergy proposal because it will create jobs. But spending a billion dollars building anything – schools, hospitals, bridges, or renewable energy projects – would create jobs. Building a diesel oil and fracked gas power plant that would emit carbon for decades and contribute to the climate change emergency may create a few jobs, but it is also bad public policy, bad for the environment, and contrary to your own stated opposition to Invenergy.

Fourth, and finally, Mr. Sabatoni says that "[t]he opponents [CLF and Burrillville] are not allowing the decision to be made by those who have the expertise [that is, the EFSB] to determine whether or not this project is in the State's best interests." Even in the narrowest sense, Mr. Sabatoni is mistaken. Both CLF and Burrillville are litigating this case in the EFSB because this is where the permitting decision is going to be made. In the EFSB, CLF is presenting expert testimony that shows that the electricity that would be produced by the Invenergy plant is not needed either in Rhode Island or by the New England electricity grid and that the environmental consequences of building the plant would be enormous. CLF and Burrillville know perfectly well that the EFSB will make the ultimate permitting decision on Invenergy.

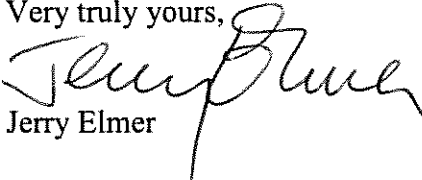
But there is a broader point here, also. As I noted above, Providence does not have a choice whether or not to be in this lawsuit – all Providence can decide is whether it wants to be a plaintiff (with Burrillville and CLF) or a defendant (with Invenergy) in the lawsuit. This, of course, is a matter that only Providence can decide – not the EFSB nor any other agency. You are on record opposing Invenergy. The Providence City Council passed a resolution opposing Invenergy. The choice that Providence now has in the Superior Court lawsuit is whether to side with a Delaware corporation, based in Chicago, that wants to build a dirty, carbon-emitting, diesel oil and fracked



gas power plant in a rural Rhode Island community or side with local citizens and environmentalists that oppose this unneeded and dirty plant.

CLF respectfully urges Providence to join us and Burrillville.

Very truly yours,



Jerry Elmer

cc.: Members, Providence City Council