

# **Representative Bennett, Chair**

March 12<sup>th</sup>, 2025

House Committee on Environment and Natural Resources Rhode Island House of Representatives

## **RE: Green Energy Consumers Alliance Supports House Bill 5493**

Dear Chair Bennett and members of the committee,

On behalf of Green Energy Consumers Alliance and our thousands of members across Rhode Island, I write in strong support of House Bill 5493 which seeks to address greenhouse gas emissions from large buildings in Rhode Island and ensure all new construction built in Rhode Island is electricready.

## Rhode Island Is Not on Track to Achieve Act on Climate Goals

The Act on Climate mandates that Rhode Island reduce its total greenhouse gas (GHG) emissions 45% by 2030 and net zero by 2050. However, the Executive Climate Change Coordinating Council's (EC4's) 2022 plan to meet the Act on Climate shows that the state would only achieve 40% emissions reductions by 2030, and that's if everything in the plan gets implemented. Notably, the *Building Benchmarking and Performance Standards* report required by Joint Resolution 7617 Substitute A depicts buildings as contributing 49% of Rhode Island's 2022 Gross Greenhouse Gas Emissions when including both Scope 1 and Scope 2 emissions, as shown in the image below. Rhode Island still lacks a policy to address emissions from our large existing buildings and cannot make progress towards driving down these emissions without a framework like what the Building Decarbonization Act of 2025 would provide.

#### APPENDIX 1: SUPPLEMENTAL TABLES AND FIGURES



## Rhode Island 2022 Gross Greenhouse Gas Emissions

Note: The emissions breakdown presented in this figure differs from the official accounting framework used by DEM to in the *Rhode Island Greenhouse Gas Inventory*.

#### Figure 4: Rhode Island Gross Greenhouse Gas Emissions Breakdown, 202237

Image from Executive Climate Change Coordinating Council report: Building Energy Benchmarking and Performance Standards, Appendix 1 Figure 4.

#### Section 1. Building Benchmarking & Performance Improvement

This section tackles emissions from large existing buildings by requiring energy reporting and then subsequent emission reductions over time. Addressing emissions from existing buildings is a larger piece of the building decarbonization puzzle as around 70% of our building stock in 2050 is already in place today.

**Building Energy Reporting:** Requires large buildings to report their energy usage and GHG emissions to a central data repository such as ENERGY STAR Portfolio Manager, a free and secure EPA platform used by nearly half a million buildings nationwide.

- Buildings covered by reporting requirements (estimated 2,320 total)
  - Starting 2027: Public buildings larger than 25,000 sq ft
  - o Starting 2027: Private buildings larger than 50,000 sq ft
  - Starting 2028: Private buildings larger than 25,000 sq ft
- The data collected will:
  - Help building owners measure their energy usage and emissions, compare to buildings of similar size and uses, and implement ways to reduce their energy usage and costs.
  - Enable the state to perform analyses and develop a standard by which large buildings must reduce their emissions.

**Evaluation & Creation of a Building Performance Standard:** Requires the Office of Energy Resources (OER) to create a building performance standard (BPS) for large buildings to reduce emissions.

• The 2025 Climate Action Strategy shall include details of how the Executive Climate Change Coordinating Council will develop a state building performance council.

# Section 2: Electric-Ready New Construction

This section requires that permits for new construction are only issued if the building is electricready. New buildings can still utilize fossil fuels but must have the electrical wiring and capacity sufficient for a future retrofit of a mixed-fuel building to an all-electric building.

# **Costs and Meeting our Climate Goals**

Requiring all new buildings to be built electric-ready can partially mitigate 'retrofits of regret' where buildings that are mixed-use must retrofit to electric appliances before the fossil fuel appliances have reached the end of their working life. In electric-ready buildings, the electrical capacity in the building is already sufficient to support these retrofits. This section preserves consumer choice and allows building owners to still power their building with fossil fuels or mixed-fuels in the present but ensures that future retrofits are possible without additional electrical work.

# **Electric Building Will Get Cleaner Over Time**

Given that Rhode Island has a 100% renewable energy standard (RES) by 2033, the energy powering our buildings is guaranteed to become increasingly renewable and cleaner meaning that buildings using electricity will see gradual emissions reductions from that energy source. Image 1 in this testimony shows a pie chart with the total greenhouse gas emissions in Rhode Island in 2022 and indicates that 14% of total building emissions come from electricity usage. Due to Rhode Island's RES, reductions from electricity emissions are built into law without requiring building owners to take any action. The RES benefits building owners that already utilize electricity for energy because emissions reductions are partially built into their energy supply and means that electric-ready buildings can access a reduced emissions energy source whenever the building transitions to electric appliances.

# Inclusion of H5493 into H5076 Article 3 Section 15

Green Energy Consumers Alliance would like to thank the Governor for including a state facilities benchmarking and performance standards program in the FY 2026 Budget. We are in support of this program and advocated for it at the associated House Committee on Finance hearing. However, we feel that Rhode Island can and must do more to address emissions from large buildings in the state, not just state-owned and state-operated facilities. Therefore, we also advocate for H5493 to be incorporated into H5076 Article 3 Section 15 to create a more comprehensive building benchmarking and performance standards program.

# If Not a Benchmarking and Performance Standards Program, Then What?

Though Rhode Island's building stock contributes a significant share of the state's greenhouse gas emissions, we have yet to implement any policies to address these emissions. Alongside our

advocacy for <u>H5167: The Rhode Island Clean Heat Standard</u>, passage The Building Decarbonization Act of 2025 will start to address emissions from the building sector. The state cannot afford to wait until after the release of the *2025 Climate Action Strategy* or the Public Utilities Commission *Future of Gas* report to take action on reducing greenhouse gas emissions from our large buildings.

## Conclusion

To achieve the requirements of an Act on Climate, we must implement larger policies that drive down emissions from the building sector. The Building Decarbonization Act of 2025 is a necessary step that will start tracking building energy use in preparation to start reducing building emissions and ensure that new construction is electric-ready.

Green Energy Consumers Alliance thanks Representative Kislak for introducing this bill and urges the Committee and full General Assembly to vote in favor of its passage.

Sincerely,

Tina Munter, RI Policy Advocate Green Energy Consumers Alliance <u>Tina@greenenergyconsumers.org</u>