

March 12, 2025

The Honorable David A. Bennett Chairman House Committee on Environment and Natural Resources 82 Smith Street Providence, Rhode Island 02903

Re: H-5493 An Act Relating to Health and Safety - Building Decarbonization Act of 2025

Dear Chairman Bennett,

Thank you for providing the Rhode Island Office of Energy Resources (OER) the opportunity to submit comments on *H-5493 An Act Relating to Health and Safety – Building Decarbonization Act of 2025*, which seeks to reduce greenhouse gas emissions (GHG) from buildings by establishing a program for the energy benchmarking of large buildings and building performance standards. We respectfully oppose this legislation. OER believes the best approach to this work is to take the path set forth in Article 3, Section 15 of the Governor's Fiscal Year 2026 Budget.

During the 2024 legislative session, the General Assembly passed Joint Resolution 7617A requesting that the Executive Climate Change Coordinating Council (EC4) prepare a report on building benchmarking and performance standards that includes (a) recommendations for the implementation of benchmarking and building performance standards for large existing buildings in Rhode Island, meaning those with at least 25,000 sq. ft. of gross floor area and including both publicly and privately owned buildings; and (b) recommended approaches and implementation plans to collect and evaluate seven key facets of this topic. OER prepared the report on behalf of the EC4, and it was submitted to the General Assembly on February 10, 2025.

The report highlights several barriers to advancing the work outlined in this legislation. First, there is no comprehensive inventory of large buildings statewide. Such a database would be costly and time-intensive to produce from existing municipal tax assessor records, commercial datasets, and geographic information. Second, we have limited up-to-date, building-level energy usage data for municipal and private buildings. This lack of data prevents a precise assessment of the costs of compliance with performance standards. Finally, we currently lack the infrastructure necessary for municipal and private building benchmarking. Automated whole-building energy data reporting is not yet available by Rhode Island Energy, and it is an essential prerequisite for benchmarking these building categories. It is worth noting that Rhode Island Energy is working on this effort.

Even with these issues addressed, benchmarking and performance standards would be costly programs to operate. After consulting with or analyzing the building performance standards of peer jurisdictions including Boston and New York City, we estimate that a benchmarking



The Honorable David A. Bennett March 12, 2025 Page 2

program soon leading into building performance standards would initially require four (4) full-time employees at OER and an annual budget of \$600,000, before growing to \$1.4 million annually once a technical assistance program for building owners comes online (estimate for private and municipal benchmarking).

While current data, infrastructure, and resources cannot support a program for large municipal and private buildings at this time, OER currently tracks emissions and energy use for state-owned buildings in aggregate per Governor McKee's Executive Order (EO) 23-06

In May 2023, Governor Dan McKee issued EO 23-06 which mandates state agencies to reduce GHG emissions, improve energy efficiency, and transition to a sustainable, zero-emission future by setting progressive targets through 2050. In response to this EO, OER's Lead by Example (LBE) program team has begun the work to benchmark all state buildings over 25,000 square feet equipped with individual utility meters that are not a part of a campus district system. In 2024, the LBE team benchmarked 16 buildings and plans to reach a total of 45 buildings in 2025. In 2026, the LBE team would look to benchmark an additional 45 buildings, including some that are not individually metered. The Governor's budget article is an important step in building decarbonization efforts with the 2021 Act on Climate and codifies the Governor's LBE Executive Order 23-06.

To build on the existing efforts of the LBE team, the report submitted to the General Assembly on February 10, 2025, in response to Joint Resolution 7617A recommends that the State should continue to implement the benchmarking and performance standards program for large state facilities as proposed by Article 3, Section 15 of the Governor's Fiscal Year 2026 Budget. OER believes this is the best pathway to achieve our building decarbonization goals.

We appreciate the opportunity to offer comments on this legislation. Please feel free to contact me should you have any additional questions or wish to discuss this matter further.

Sincerely.

Karen M. Bradbury Karen M. Bradbury

Administrator, Energy Legislation & Programs

cc: Members of the House Committee on Corporations

Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House

Lynne Urbani, House Policy Director