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March 19, 2025

By email to: <u>HouseMunicipalGovernmentandHousing@rilegislature.gov</u>

RE: H5450 RELATING TO PUBLIC PROPERTY AND WORKS -- ALL-ELECTRIC BUILDING ACT: *House Municipal Government & Housing*

To Whom it May Concern,

My name is Karen Arpino, and I am writing on behalf of The Northeast Hearth, Patio & Barbecue Association. The Northeast Hearth, Patio & Barbecue Association (NEHPBA) is a trade association representing more than 300 individual member hearth and fireplace retail and related companies throughout the Northeast. The vast majority of our members are independent "mom and pop" small businesses that play a large role in the communities and markets they serve across Rhode Island.

The Northeast Hearth, Patio and Barbecue Association (NEHPBA) opposes, as written, H5450 and encourages the legislature to preserve consumer choice with respect to heating and cooking options for Rhode Islanders.

NEHPBA recognizes the changing landscape of the energy and fossil fuel industry. We are committed to working with government officials and regulators at all levels to increase access to more sustainable and climate-centric fuel sources throughout our homes and businesses to bridge the gap as new fuel technology develops. We are committed to addressing the climate crisis and aspire to be a valuable and reasonable partner in this important conversation in the months and years ahead.

This bill, as it is currently written, would negatively impact our Rhode Island members and their customers by increasing the cost of electricity and limiting the availability of the fuel that our products use. Consumers deserve a choice when deciding what fuel source is used to heat their homes. We encourage Rhode Island legislators to preserve consumer options with respect to heating.

Rhode Island's electricity rate is already the 6th highest in the county at 25.31 cents per kilowatt hour while the national average is 12.89 cents per kilowatt hour <u>Source</u>. Electrification will put more pressure on the grid, bringing up the cost even more. Last month, the demand on New England's grid outpaced supply, leading dramatically to this increase in the cost of utilities.

Presently, natural gas heats more than half of Rhode Island's homes. With this in mind, we urge this Committee to carefully consider the negative impact House Bill 5450 would have on families – particularly those living below the poverty line and seniors on fixed incomes – as well as small businesses in Rhode Island.

Consumers Should Have the Right To Choose

Policymakers should strive to give consumers options. Competition is imperative to protect consumers while driving innovation, ingenuity, and progress. Policymakers should not pick winners and losers but should allow resources and technologies to compete. Free market policies provide the consumer with options to select what best fits their unique set of needs. An all-electrification requirement would remove natural gas from the heating and cooking markets, stripping the consumer of the right to select the heating fuel that best suits their needs. A ban on heating fuels represents the worst type of ban

because it effectively affords consumers only one option – electricity – with respect to heating and cooking.

Reliability: The Role of Natural Gas in Reducing Emissions and Balancing the Power System

An all-electric heat requirement is doubly bad public policy, which could fail to meet its intended goals. These policies increase the demand for electricity significantly without provisions that ensure that resources are in place to meet this incremental demand. This means that the state will likely have to rely on the use of older and less efficient power plants, burning coal and oil, and importing electricity from states that are not as thoughtful about how it is generated. Moving to all-electric heating with the existing infrastructure will result in more emissions rather than less. The state should not pass any bill that stigmatizes or bans the use of natural gas.

When Electricity Goes Out, Heat Goes Off and People are Left in the Cold

A move to all-electric heating and cooking will also leave Rhode Islanders at the mercy of a power grid that is increasingly reliant on intermittent renewables. We have seen the potential consequences of this in Texas and California – both of which rely heavily on wind and solar. When these resources underperform due to the wind not blowing and the sun not shining, grid stability and reliability are compromised, and it can leave residents in the dark and cold. A study from GTI Energy found that power system outages are more than 100 times more frequent than gas system outages.

<u>Cost</u>

Good public policy considers cost impacts on consumers, especially those in overburdened communities. All-electric legislation will likely increase costs. According to research conducted by the National Association of Home Builders, all electric homes cost more upfront as compared to gas homes.¹ State policymakers should also consider that increased electricity use will also impact the need for additional electric bill assistance. Gas fireplaces and gas fireplace inserts can be used as a space heater during the shoulder months. Rather than turning on the entire home heating system in March and October, homeowners can instead use their gas fueled fireplaces and inserts to heat commonly used spaces.

For all of the reasons outlined above, NEHPBA respectfully opposes legislative and regulatory efforts that remove consumer choice and ban the use of natural gas in new building construction.

Sincerely,

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Karen Arpino Executive Director Northeast HPBA

¹ See https://www.nahb.org/-/media/NAHB/nahb-community/docs/committees/construction-codes-and-standards-committee/home-innovationelectrification-report-2021.pdf.