

## **Director's Office**

One Capitol Hill | Providence, RI 02908 | (401) 222-2280 Jonathan Womer, Director

March 20, 2025

The Honorable Representative Stephen M. Casey Chairperson House Committee on Municipal Government & Housing 82 Smith Street Providence, RI 02903

RE: House Bill No. 5450 – An Act Relating To Public Property And Works – All-Electric Building Act

Dear Chairperson Casey,

Thank you and the Committee for providing the Division of Capital Asset Management and Maintenance (DCAMM) the opportunity to submit comments in response to House Bill No. 5450. This bill contains several areas of concern for the Department, each of which will be addressed within the following sections.

Requiring all-electric permits for all new public construction, renovation, or alteration after December 31, 2026, is impractical. The state must evaluate the financial and project timeline implications, as well its utility infrastructure needs, before it can transition to all-electric buildings, renovations, and alterations.

- There has been **no fiscal analysis or cost-benefit analysis** on an all-electric permitting requirement for state buildings. Consultation from industry experts indicates that the initial capital costs of transitioning to all-electric can be seven times the operating costs, with operating savings realized after a decade and only for those buildings where the envelope and other building infrastructure is energy efficient. This statistic does not include the cost of updating the building envelope to meet energy efficiency standards or the cost associated with relocating the displaced workforce and services while the project is underway.
- While the bill includes an exemption for "ongoing" projects, many capital projects are already planned and budgeted for in the outyears but not yet active. An overall increase in the cost of outyear projects due to all-electric infrastructure will result in a funding gap for some planned projects, leading to delays in completion. Additionally, many outyear projects are intended to prevent further deterioration of state buildings or address deferred maintenance projects that the state already struggles to complete due to lack of funding and competing priorities. Delays due to funding gaps will only exacerbate these issues.
- Lastly, the state cannot confirm that its utility companies are able to supply the requisite amount of power to operate state buildings successfully. Industry experts



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note that when large buildings transition to all-electric, owners must work with the utility company years in advance to assess the infrastructure capabilities and effectuate any required changes to meet the building's energy demands.

The Department appreciates the opportunity to share these strong concerns with the Committee. If there are any questions, please feel free to contact my office at your convenience.

Sincerely,

Marco Schiappa

Interim Director, Division of Capital Asset Management and Maintenance

ce: The Honorable Members of the House Committee on Municipal Government & Housing

The Honorable Arthur Handy

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

Dawn Huntley, Committee Clerk