

SUBJECT: Support for Senate Bill No. 2260 (Building Benchmarking and Reporting Act)

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Sidenote: Unfortunately, the two bills that make up the Building Decarbonization package (Benchmarking and Performance Standards) were sent to separate committees, so this committee will not be able to consider them together.

Dear Chair Bissailon and Members of the Committee,

Building benchmarking is not expensive, and it's ready to go. Coupled with its companion bill (Performance Standards), it will improve the environment, save ratepayers money, create jobs, and cut energy costs for building owners.

Those are some pretty bold claims. Let me support them one by one:

Affordable

Providence is home to 40% of the large buildings in Rhode Island. Yet all the city needed to create AND operate its benchmarking program for the last two years was a half-time staffer and a \$100,000 budget for software.

Ready to go

Providence has already done much of the up-front work. It has:

- a) designed and implemented the program,
- b) completed the negotiations needed to bring RI Energy on board, and
- c) tested and operated the program smoothly for two years.

As a result, the program is largely plug-and-play for the state and other municipalities. The EPA's Energy Star Portfolio Manager program is available to any community that wants to automate the process and feed information between the city, building owners, and RI Energy.

An essential first step

The building decarbonization package (Benchmarking and Performance Standards) is an affordable way to take meaningful action towards our climate goals in a year when making progress will be a challenge. Because more than a third of all carbon emissions in Rhode Island come from the building sector, this is the area where we can get the biggest bang for our buck.

The bill before you—Benchmarking—is the first step in the process. Neither bill can get the job done without the other.

- 1) Benchmarking collects the data needed for the OER to set effective and affordable performance standards.

2) But without Performance Standards, benchmarking will rely on voluntary compliance, which would be like recommending speed limits without any enforcement mechanism—or passing legislation to discourage drunk driving without making it illegal.

Taken together, these bills will:

Have a big environmental impact

The EC4 Climate Strategy identifies the building decarbonization program as one of the most effective ways for the state to reduce emissions and meet its climate goals. Not only will the program reduce energy use, it will also provide us with the information needed to make an informed transition from fossil fuels to clean energy.

Save money for building owners

The most affordable energy is the energy you don't have to buy. By creating detailed energy use reports, the program provides building owners with the information they need to make efficiency upgrades that will save them money for years to come. RI's Climate Action Plan states that building decarbonization "can mitigate energy consumption, reduce utility bills, and manage peak electricity demand and system costs."

Maintain owner control

Rather than mandate specific actions, the programs allow owners to choose between a variety of efficiency methods, including weatherization, heat pumps, solar panels, and more.

Save money for ratepayers

The primary cause of soaring electric rates is our over-reliance on natural gas. Prices for natural gas are spiking while the price of clean energy has been declining for more than a decade. The federal Energy Information Administration predicts a 20% increase in the price of natural gas this year and again in 2027. Yet natural gas is the fuel used for 84% of the electricity produced in Rhode Island. Given the rapid escalation in fossil fuel prices, it would be foolish to continue our reliance on natural gas. The building decarbonization program is the most cost-effective way to solve this costly imbalance.

Create jobs

100% of the natural gas consumed in Rhode Island is imported. That means that more than \$1 billion flows out of state each year to fuel the economies and create jobs in Texas, Pennsylvania, and Canada. In contrast, clean energy is local energy. All of the money we spend on solar, wind, heat pumps, and weatherization programs stays in the Rhode Island economy, creating jobs right here in our state. The building decarbonization and performance standards will be a catalyst for in-state employment.

Cost nothing for homeowners or small businesses

This bill does not require any action by homeowners or small businesses because it only applies to the state's largest buildings.

Improve public health

Heating with fossil fuels doesn't just pollute the atmosphere, it also releases harmful gases into the buildings themselves. This is a significant concern in public schools. Asthma rates are rising in Rhode Island and are higher than the national average. Worse yet, emergency room visits by children with asthma have spiked dramatically.

With all of these advantages, the question is: What are we waiting for?