

February 25, 2025

House Committee on Finance
State of Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Support of House Bill 5076 Article 3 Section 15: State Facilities Benchmarking and Performance Standards Program

Dear Chair Abney, Vice Chairs Slater and Marszalkowski, and Members of the Finance Committee:

I am writing on behalf of Acadia Center in strong support of House Bill 5076 Article 3 Section 15, entitled State Facilities Benchmarking and Performance Standards Program. Acadia Center is a non-profit research and advocacy organization committed to advancing the clean energy future. Acadia Center's work is characterized by reliable information, comprehensive advocacy, and collaborative, innovative problem-solving.

We applaud the Governor's proposal to allocate staff capacity to benchmarking and reducing the energy usage of large buildings owned and operated by the state. We also urge members of the Finance Committee to consider expanding the scope of this program to include large privately-owned buildings. This process is critical to beginning to understand and address emissions in the building sector more broadly, and Acadia Center believes that this can be done in a tiered manner aligned with the state's capacity.

Tracking the energy usage of buildings is a critical foundation to understanding and ultimately reducing emissions in the building sector. This budget article, the Building Decarbonization Act, and parallel programs across the country start with large buildings because they have the greatest potential for impact. The state's implementation of a range of Lead by Example executive orders and policies is not possible without benchmarking – establishing the baseline site energy use intensity in order to then make reductions.

Performance standards may be met flexibly based on the specific opportunities identified through benchmarking. And while Acadia Center would like to see funding for energy efficiency and other building performance improvements considered in agencies' regular capital budgets, we have also seen significant allocations of RGGI funding for the state's Lead by Example initiative. Across the four RGGI allocations in 2024, over \$6 million was allocated to support energy efficiency and renewable energy projects at Rhode Island state government facilities.

Benchmarking large buildings is a commonsense business practice leveraged by companies not only to lower the carbon footprint of their operations but also simply to save money. Here in Rhode Island, businesses and institutions ranging from Ocean State Job Lot to Johnson & Wales University to CVS track their energy usage in order to make cost-saving investments in energy efficiency. The City of Providence has saved tens of millions of dollars by tracking its energy usage for over a decade.

The full-time employee funded by this budget article will ensure the benchmarking of state-owned and -occupied facilities right away – with reporting for calendar year 2025 beginning in 2026. This is important, but we can and must do more. State facilities make up a small portion of Rhode Island's building sector. To make a dent in the reductions required by the Act on Climate, we must expand benchmarking and building performance standards beyond state facilities to the entire building stock, starting with the state's largest buildings.

We are confident that the state can roll out benchmarking for private buildings at a pace that matches administrative capacity. The state already has a record of benchmarking its own buildings and setting aside funds for cost-effective energy improvements. The City of Providence is leading in implementing benchmarking now, not just for city buildings, but for all private large buildings. A tiered approach has allowed Providence to gradually compile its list of covered buildings and tackle challenges related to data aggregation and software automation with the utility.

Building owners ranging from municipalities to private companies also have access to a range of technical assistance and financing options to support the tracking of their energy usage and building performance investments, including the Rhode Island Infrastructure Bank's Energy Asset Management Program and Rhode Island Energy's energy efficiency rebates/incentives and on-bill repayment program.

I urge the Finance Committee to pass this article and consider the expansion of the Benchmarking and Performance Standards Program beyond state facilities. Thank you for helping to reduce energy usage and emissions in Rhode Island buildings. If you have any questions or concerns, please do not hesitate to reach out.

Sincerely,

A handwritten signature in cursive script that reads "emily koo".

Emily Koo
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