

April 9, 2025

Senate Committee on Environment & Agriculture
Rhode Island State House
82 Smith Street
Providence, RI 02903

Acadia Center Testimony in Support of Senate Bill 91, the Building Decarbonization Act

Chair Sosnowski, Vice Chair Britto, and Members of the Senate Environment & Agriculture Committee,

I am writing on behalf of Acadia Center in strong support of Senate Bill 91, the Building Decarbonization Act. 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.

Acting on Climate Will Rely on Significant Energy Efficiency and Electrification

The Act on Climate requires statewide emissions reductions of 45% below 1990 levels by 2030, 80% by 2040, and net-zero emissions by 2050. Buildings in Rhode Island, solely accounting for residential and commercial heating, are responsible for nearly 30% of our state's greenhouse gas emissions. In 2022, in partnership with DEM, Acadia Center conducted a [high-level state decarbonization analysis](#), modeling policies outlined in the EC4's 2022 Climate Update; it projected that Rhode Island was not fully on track to meet the Act on Climate's 2030 reduction mandate of 45%¹. It is true that the current development of the 2025 Climate Strategy will further refine this modeling to identify the implementation strategies to meet our Act on Climate. However, we also know, without a doubt, that the plan to reduce emissions from buildings will rely on significant energy efficiency (EE) and building electrification. We see these key commonalities across numerous plans, including the [2022 Climate Update](#) and the PUC's recent [Future of Gas Technical Analysis Report](#), and in the decarbonization pathways of neighboring states such as Massachusetts.

I applaud the Senate's passage of the Building Decarbonization Act last session and am hopeful that leadership in both chambers will prioritize this critical first step towards reducing emissions in the building sector through EE and electrification.

Benchmarking Yields Information and Cost Savings for Building Owners

First, the bill proposes benchmarking for large existing buildings, requiring the tracking and reporting of energy usage in large public buildings and then private buildings in two phases. Equipped with a better understanding of their utility bills and energy consumption, building owners can then leverage data to make cost-effective investments in energy efficiency that will save them money and reduce their energy usage and thus emissions. Benchmarking is a

¹ This analysis assumed a significant expansion ofRIPTA ridership (including full funding for Transit Master Plan implementation) and that 15% of space and water heating in all buildings, both residential and commercial, would be all-electric by 2030.

no-brainer for tackling energy waste and combatting rising energy costs, and is a widespread best practice of governments, institutions, and private companies who manage properties².

Tracking the energy usage of buildings is a critical foundation to understanding and ultimately reducing emissions in the building sector. Benchmarking programs like this focus on 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. The Governor's budget proposal this year, House Bill 5076 Article 3 Section 15, funds a full-time employee to ensure the benchmarking of state-owned and -occupied facilities right away – with reporting for calendar year 2025 beginning in 2026. We urge the committee and bill sponsors to align the reporting for public facilities in the Building Decarbonization Act with this prompt timeline, while maintaining the scope to include municipal and private large buildings.

Acadia Center is confident that the state can roll out benchmarking for public and 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, for public and private 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.

Resources Available for Meeting Flexible Building Performance Standards

Following the collection of baseline data, the bill proposes that the Office of Energy Resources (OER) and the EC4 set a building performance standard to guide these large building owners through setting long-term energy reduction and emissions targets. Performance standards may be met flexibly based on the specific opportunities identified through benchmarking, and may include energy efficiency (EE) or other building system upgrades. Rhode Island's nation-leading EE programs have demonstrated that the benefits of EE far outweigh the cost of implementation – every dollar invested in EE has resulted in three dollars of benefits for Rhode Islanders.

Further, building owners – the state, municipalities, and private companies -- have access to a range of technical assistance and funding options to support the tracking of their energy usage and building performance investments. The state's Lead by Example initiative has allocated significant RGGI funding to support EE and renewable energy projects at Rhode Island state government facilities (across the four RGGI allocations in 2024, over \$6 million was allocated to this purpose). Municipalities and private companies have access to incentives through the Rhode Island Infrastructure Bank (i.e. the Energy Asset Management Program) and Rhode Island Energy's EE rebates/incentives and on-bill repayment program.

Ensuring New Buildings are Electric-Ready

Finally, the bill proposes that the construction of new public and private buildings be electric-ready, a compromise from the original proposal that all new construction statewide be all-electric³. While a small proportion of Rhode Island's building stock is new construction, it is critical that this new generation of buildings take advantage of the

² 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.

³ A more comprehensive proposal for all-electric new construction now exists in a separate bill as House Bill 5450.

most energy efficient technologies and lead the way for a fossil fuel free future. This provision of the Building Decarbonization Act simply aligns with and reinforces the state's adoption of the electric-readiness provisions in the 2024 International Energy Conservation Code.

The Building Decarbonization Act is an essential first step to reducing emissions in the building sector in order to meet our state's climate mandates. By tracking energy usage and building performance, large public and private building owners can lower energy costs and chart a path toward investing in EE and electrification. Electric readiness acknowledges that we cannot allow new buildings to lock in fossil fuel systems for decades to come.

Thank you again for your consideration of this important bill to tackle emissions in the building sector. If you have any questions or concerns, please do not hesitate to reach out.

Sincerely,

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