

2025 -- H 5493 SUBSTITUTE A

LC001267/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO HEALTH AND SAFETY -- BUILDING DECARBONIZATION ACT OF 2025

Introduced By: Representatives Kislak, Carson, Spears, Handy, Speakman, McGaw, Boylan, Fogarty, Potter, and McEntee

Date Introduced: February 13, 2025

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1 SECTION 1 Title 23 of the General Laws entitled "HEALTH AND SAFETY" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 27.5

4 BUILDING DECARBONIZATION ACT OF 2025

5 **23-27.5-1. Definitions.**

6 As used in this chapter:

7 (1) "Benchmarking information" means information generated by the benchmarking tool
8 as herein defined, including information about the physical property and its operational
9 characteristics. The information shall include, but need not be limited to:

10 (i) Property address;

11 (ii) Primary use type;

12 (iii) Gross floor area;

13 (iv) Annual energy use;

14 (v) Source energy use intensity (EUI); site EUI, weather normalized source EUI, and
15 weather normalized site EUI;

16 (vi) Annual greenhouse gas emissions; and

17 (vii) Compliance or noncompliance with this statute.

18 (2) "Benchmarking tool" means ENERGY STAR portfolio manager, the internet-based
19 tool developed and maintained by the U.S. Environmental Protection Agency (U.S. EPA) to track

1 and assess the relative energy performance of buildings nationwide. Should ENERGY STAR
2 Portfolio Manager become unavailable for any reporting year(s), the reporting obligations herein
3 shall be suspended until such time it is again available or a comparable alternative is designated by
4 the office of energy resources ("OER").

5 (3) "Campus" means two (2) or more buildings that are served by shared utility services
6 and predominantly used for health care, research or higher education purposes.

7 (4) "Covered property" means all residential and non-residential buildings and campuses
8 containing twenty-five thousand (25,000) or more gross square feet defined herein and identified
9 by the relevant municipal tax assessor's database.

10 (5) "Dwelling unit" means a single residential unit consisting of one or more rooms,
11 occupied or arranged to be occupied as a residential unit separate from all other residential units
12 within a building, and used primarily for residential purposes and not primarily for professional or
13 commercial purposes.

14 (6) "Energy" means electricity, natural gas, steam, hot or chilled water, heating oil, or other
15 product for use in a building, or renewable electricity generation, for purposes of providing heating,
16 cooling, lighting, water heating, or for powering or fueling other end-uses in the building and
17 related facilities.

18 (7) "ENERGY STAR" means the U.S. Environmental Protection Agency program related
19 to improving energy efficiency in buildings and products.

20 (8) "Gross square feet" means the gross floor area of the property as defined by the U.S.
21 EPA portfolio manager.

22 (9) "Owner" means:

23 (i) An individual or entity designated in the records of the local municipal tax assessor as
24 the owner of a covered property;

25 (ii) An agent authorized by law to act on behalf of the owner of a covered property;

26 (iii) In the case of a condominium, the person or persons authorized by law to act on behalf
27 of the condominium association or its board of directors, managers or trustees; and/or

28 (iv) In the case of a cooperative, the person or persons authorized by law to act on behalf
29 of the cooperative.

30 (10) "Site energy" means the annual amount of all the energy each property consumes
31 onsite, regardless of the source. It not only includes energy purchased from a utility or in bulk, but
32 also renewable energy generated and consumed onsite such as from solar or wind (excess
33 renewable energy generated onsite is excluded from site energy use). Site energy can be used to
34 understand how the energy use for an individual property has changed over time.

1 (11) "Source energy" means the total amount of raw fuel that is required to operate the
2 property. Source EUI ("energy use intensity") is source energy divided by the property's gross floor
3 area. In addition to what the property consumes onsite, source energy includes losses that take place
4 during generation, transmission, and distribution of the energy, thereby enabling a complete
5 assessment of energy consumption resulting from building operations. Source energy shall be used
6 to understand the complete energy impact of each property and compare the energy performance
7 across covered properties in the program.

8 (12) "Tenant" means a person or entity leasing, occupying or holding over possession of a
9 covered property or municipal property.

10 (13) "Utility" means an entity that distributes, supplies, or transmits energy to covered
11 properties.

12 **23-27.5-2. Establishment.**

13 There is hereby established a building energy reporting program for covered properties.
14 The office of energy resources ("OER") shall be responsible for reporting this information to the
15 public in order to provide transparency to the marketplace.

16 **23-27.5-3. Benchmarking required for covered properties.**

17 (a) Owners of covered properties shall input annual energy use from January 1 through
18 December 31 of the previous calendar year and all other descriptive information required by the
19 benchmarking tool, into the benchmarking tool, according to the following schedule:

20 (1) For buildings that contain fifty thousand (50,000) or more gross square feet, no later
21 than May 15, 2027 and by every May 15 thereafter;

22 (2) For buildings that contain twenty-five thousand (25,000) to forty-nine thousand, nine
23 hundred ninety-nine (49,999) gross square feet, no later than May 15, 2029, and by every May 15
24 thereafter;

25 (3) Following the receipt of a certificate of occupancy, a new covered property that has not
26 yet accumulated twelve (12) months of energy use data by the first applicable reporting deadline
27 shall comply with building energy benchmarking reporting requirements herein beginning May 15
28 following the first full calendar year of building occupancy.

29 **23-27.5-4. Notification of covered properties.**

30 (a) Between September 15 and December 15 of each year, beginning in 2026, the OER
31 shall notify owners of covered properties of their obligation to input energy use into the
32 benchmarking tool. By January 31 of each year beginning in 2027, the OER shall post a list of the
33 addresses of covered properties. The list shall be published on the OER's webpage.

34

1 (b) The OER shall host an annual online information session for building owners to provide
2 information about updated policies and procedures, as well as provide information related to the
3 provisions of this program.

4 (c) In 2025, 2026, 2027, and 2028, in anticipation of expanding requirements under this
5 section, the OER shall host multiple information sessions for building owners, municipalities and
6 other interested parties. These may be held through organizations such as the league of cities and
7 towns or other associations, as may be helpful to conduct outreach to interested parties.

8 **23-27.5-5. Exemptions.**

9 (a) An owner of an otherwise "covered property" may seek an exemption from the
10 requirements of this chapter for a reporting year if any of the following conditions apply:

11 (1) None of the property was occupied for the entire calendar year required to be
12 benchmarked;

13 (2) A demolition permit for the entire property was issued and demolition work
14 commenced during the calendar year; or

15 (3) The property did not receive energy services for the entire calendar year required to be
16 benchmarked.

17 (b) Applications for exceptions can be filed with the commissioner of the OER, using a
18 form created by the OER, and with all relevant supporting documentation included and notarized
19 prior to submission. Waivers shall be granted or denied at the discretion of the commissioner of the
20 OER.

21 **23-27.5-6. Provision and publication of benchmarking information.**

22 (a) Owners shall annually provide benchmarking information to the OER, in such form as
23 established by the OER, by the date provided by the schedule in § 23-27.5-3.

24 (b) No later than October 15, 2026, and thereafter by October 15 of each year, the OER
25 shall deliver a summary report on the program to the general assembly and then publish the report
26 on the OER's webpage. The report shall include, but not be limited to:

27 (1) Benchmarking information for each covered property, as defined in § 23-27.5-1, for the
28 current year;

29 (2) Progress against baseline year data from intervening years for both energy use and
30 greenhouse gas emissions; and

31 (3) Covered properties' compliance status with the energy assessment or actions
32 requirements described in this chapter.

33 **23-27.5-7. Direct upload.**

34 (a) Owners of covered properties may authorize an energy utility or other third party to

1 report building-specific energy data on their behalf to the OER. Such authorization shall not remove
2 the obligation of property owners to comply with reporting requirements.

3 **23-27.5-8. Municipal implementation of building energy benchmarking**
4 **requirements.**

5 In the case of a municipality that has initiated a comparable building energy benchmarking
6 requirement prior to the enactment of this chapter, the municipality may continue such program in
7 lieu of the benchmarking requirements to be established by the OER. In such case, the municipality
8 must notify the OER of such intent within one hundred eighty (180) days of the enactment of this
9 chapter and must provide benchmarking data annually thereafter.

10 **23-27.5-9. Enforcement.**

11 (a) The OER shall develop a series of incentives for participation in the benchmarking
12 program which may include:

13 (1) Participation required prior to applying for available grant funding from the OER, or
14 grants from any state agency or the RI infrastructure bank that are directed towards supporting
15 building benchmarking and decarbonization efforts;

16 (2) Participation certification in public forums, websites, and a logo that may be displayed
17 on a building's website and/or front door; and

18 (3) Other incentives that the OER may develop through regulation.

19 (b) The OER may further create by regulation, enforcement mechanisms that may include
20 escalating warnings and fines that may be imposed no earlier than May 15, 2030.

21 **23-27.5-10. Severability.**

22 If any provision of this chapter shall be held to be invalid by a court of competent
23 jurisdiction, then such provision shall be considered separately and apart from the remaining
24 provisions, which shall remain in full force and effect.

25 SECTION 2. This act shall take effect upon passage.

=====
LC001267/SUB A
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO HEALTH AND SAFETY -- BUILDING DECARBONIZATION ACT OF 2025

1 This act would establish a building energy reporting program for covered properties. The
2 office of energy resources (OER) shall be responsible for reporting this information to the public
3 in order to provide transparency to the marketplace.

4 This act would take effect upon passage.

=====
LC001267/SUB A
=====