2024 -- S 2952 SUBSTITUTE A

======= LC004319/SUB A/2 =======

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

AN ACT

RELATING TO HEALTH AND SAFETY -- BUILDING DECARBONIZATION ACT OF 2024

Introduced By: Senators Kallman, Valverde, DiMario, LaMountain, Lawson, Sosnowski, Miller, Euer, McKenney, and Britto Date Introduced: April 05, 2024

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1	SECTION 1. Findings and purpose.
2	The purpose of this chapter is to understand and reduce the greenhouse gas emissions of
3	buildings in Rhode Island, consistent with an Act on Climate, chapter 6.2-9 of title 42. Of the
4	building stock in 2050, approximately seventy percent (70%) has already been built, and addressing
5	these existing buildings is critical to achieving net-zero emissions by 2050. While significant
6	retrofits to existing buildings will eventually be needed, this chapter establishes a program for the
7	energy benchmarking of large buildings in Rhode Island and a standard for their energy
8	performance and requires that the construction or alteration of new buildings be electric-ready.
9	Further, the intent of the legislature is to ensure that the Executive Climate Change Coordinating
10	Council (EC4) has dedicated resources sufficient to administer its responsibilities under this chapter
11	to enable swift and steady progress towards Rhode Island's net-zero mandate.
12	SECTION 2. Title 23 of the General Laws entitled "HEALTH AND SAFETY" is hereby
13	amended by adding thereto the following chapter:
14	CHAPTER 27.5
15	BUILDING DECARBONIZATION ACT OF 2024
16	<u>23-27.5-1. Definitions.</u>
17	As used in this chapter:
18	(1) "Anonymized and aggregated usage data" means, for a specified time period, an

19 aggregation of utility usage data for a covered property whereby data from tenant meters and from

1 owner meters are combined into one collective data point for each utility type, and where any 2 unique identifiers or other personal information related to tenants are removed. Data for a covered 3 property may be anonymized and aggregated where there are three (3) or more unique non-4 residential accounts or five (5) or more unique residential accounts. 5 (2) "BPS fund" means the building performance standard fund established in § 23-27.5-6 7(g). 7 (3) "Building improvement tool" means an online tool to help building owners and 8 operators improve building energy and water efficiency and reduce greenhouse gas emissions 9 through identifying, tracking, and verifying improvements and their performance, including the 10 capability to integrate with ENERGY STAR Portfolio Manager. 11 (4) "Building performance standard" means an objectively verifiable numeric value of a 12 defined building performance metric that covered properties are required to achieve by specified 13 dates. 14 (5) "Commercial building" means a building or multiple buildings on a property of which 15 not less than fifty percent (50%) of the gross floor area, including hallways or other common space, 16 but excluding parking, is used for commercial, retail, office, professional, educational or other 17 nonresidential purposes, or any grouping of commercial buildings designated by the EC4 as an 18 appropriate reporting unit for the purposes of this section; provided however, that "commercial 19 building" shall not include a public facility or a building owned or leased by the federal government, 20 and shall not include a facility in which the majority of energy is consumed for manufacturing, for 21 the generation of electric power or district thermal energy to be consumed off site, for 22 communications infrastructure, or for other process loads as determined by the EC4. 23 (6) "Community impacted by poverty and environmental injustice" means census tracts 24 that are highlighted as overburdened and underserved in the geospatial Climate and Economic 25 Justice Screening Tool (CEJST). 26 (7) "Compliance payment" means a fine for non-compliance with rules and regulations 27 established by the EC4. 28 (8) "Condominium" means a property that combines separate ownership of individual units 29 with common ownership of other elements such as common areas. 30 (9) "Covered property" means any of the following with at least twenty-five thousand 31 square feet (25,000 sq. ft.) of gross floor area: 32 (i) A single building; 33 (ii) One or more buildings held in the condominium form of ownership, and governed by 34 a single board of managers; or

1	(iii) Two (2) or more buildings that are served by the same electric or gas meter or are
2	served by the same heating or cooling system(s), which is not a district energy system. Provided
3	that buildings, spaces, or groups of buildings and spaces, that are sub-metered or otherwise subject
4	to easy determination of the resource consumption attributable to each individual building, space,
5	or group of buildings or spaces, shall be treated as separate "covered properties" as determined by
6	the EC4.
7	(10) "District energy system" means a system serving multiple covered properties and
8	consisting of non-combusting thermal energy generation, transfer, and distribution equipment
9	providing thermal energy in the form of heat and/or heat rejection.
10	(11) "Energy benchmarking tool" means the ENERGY STAR Portfolio Manager web-
11	based tool developed by the United States Environmental Protection Agency, and any alternative
12	system or tool approved by the EC4, that rates the performance of a qualifying building in relation
13	to similar buildings and accounts for the impacts of year-to-year weather variations, building size,
14	location, and several operating characteristics.
15	(12) "Executive Climate Change Coordinating Council" means the council established by
16	the Resilient Rhode Island Act of 2014, R.I.G.L. § 42-6.2-1, et seq.
17	(13) "Gross floor area" means the total area of a covered property, measured between the
18	outside surface of the exterior walls of the covered property building(s). The EC4 shall promulgate
19	rules and procedures governing the calculation of gross floor area, including areas that shall be
20	excluded from the calculation.
21	(14) "Owner" means any of the following:
22	(i) An individual or entity possessing title to a covered property;
23	(ii) The board of the owners' association, in the case of a condominium;
24	(iii) The master association, in the case of a condominium, where the powers of an owners'
25	association are exercised by or delegated to a master association;
26	(iv) The board of directors, in the case of a cooperative apartment corporation; or
27	(v) An agent authorized to act on behalf of any of the above.
28	(15) "Performance metrics" means each of the objectively verifiable numeric measures of
29	building performance as established by § 23-27.5-6.
30	(16) "Property type(s)" means a category of covered properties subject to the same interim
31	and final building performance standards, as defined by the EC4. Covered properties within each
	and final building performance standards, as defined by the EC4. Covered properties within each property type shall have shared characteristics that facilitate the implementation and enforcement
31	

1 (17) "Public facility" means any public institution, public facility, or any physical asset 2 owned, including its public real-property site, leased or controlled in whole or in part by this state, 3 a public agency, a municipality or a political subdivision, that is for public or government use and 4 that consumes energy. 5 (18) "Residential building" means a building or multiple buildings on a property of which 6 not less than fifty percent (50%) of the gross floor area, including hallways and other common 7 space serving residents, but excluding parking, is used for dwelling purposes, or any grouping of 8 residential buildings designated by the EC4 as an appropriate reporting unit for the purposes of this chapter; provided, however, that "residential building" shall not include a public facility or a 9 10 building owned or leased by the federal government. 11 (19) "Tenant" means any tenant, tenant-stockholder of a cooperative apartment 12 corporation, or condominium unit owner. 13 (20) "Utility" means a company, cooperative, association, or government entity that 14 distributes and sells electricity, natural gas, or district energy for use in buildings. 15 23-27.5-2. Authority. 16 The EC4 shall be granted additional authority to administer this chapter, which shall 17 include the authority to issue forms and guidance, promulgate rules and regulations, apply for and 18 receive federal funds, asses and receive fees, and contract with third parties to effectuate the powers 19 granted herein. 20 23-27.5-3. Advisory Boards. (a) For purposes of this chapter, the green building advisory committee (GBAC) 21 22 established by § 37-24-5(g) shall act as an advisory board to the EC4 concerning the 23 implementation of this chapter including, but not limited to, the establishment of the benchmarking 24 requirements, technical assistance, owner needs, outreach and education, opportunities for funding related to the chapter, the implementation of state policies, programs, and statutes related to the 25 chapter and recommendations for building performance standards. 26 27 (b) No later than one hundred and twenty (120) days following the enactment of this 28 chapter the EC4 shall establish the environmental justice advisory board (EJAB) to advise the EC4 29 on climate change efforts with respect to potential impacts on, benefits to, and special 30 considerations for individuals and communities impacted by poverty and environmental injustice. 31 (1) The EJAB shall be comprised of no fewer than nine (9) and no more than fifteen (15) 32 individuals who are representatives of communities impacted by poverty and environmental 33 injustice, representatives of nonprofit and public agencies who work with such individuals or 34 communities, including providers of affordable housing, small business owners or organizations,

1	and experts in areas related to racial and social equity, as well as one representative from the
2	building trades. The EC4 shall select individuals following an opportunity for the public to apply
3	in consultation with the EC4 advisory board.
4	(2) All appointments to the EJAB shall be for a term of three (3) years. Members whose
5	appointed terms have expired shall be permitted to continue to serve for up to one year until
6	reappointed or replaced by a new appointee.
7	(3) The EC4 shall fairly compensate EJAB members and provide stipends to cover the cost
8	of childcare and information technology needs as determined by the EJAB and EC4.
9	(4) The EJAB shall advise the EC4 on the implementation of this chapter with respect to
10	potential impacts on, benefits to, and special considerations for individuals and communities
11	impacted by poverty and environmental injustice, and small business owners from such
12	communities.
13	(5) The EJAB may develop a plan to allocate funds available in the BPS fund, established
14	under § 23-27.5-7(g), to improve the performance of covered buildings and ensure that those
15	investments benefit such communities.
16	(6) The EJAB may host, in partnership with the GBAC and the EC4, public meetings to
17	gather input regarding the benchmarking program as well as the design and implementation of the
18	building performance standards and complementary programs. Equitable engagement shall be a
19	priority.
20	23-27.5-4. Building Benchmarking.
21	(a) There is established an energy use benchmarking program to collect and analyze such
22	information in support of the statewide greenhouse gas emission reduction mandate provided in
23	chapter 6.2 of title 42 ("act on climate").
24	(b) The program shall be conducted to determine whether each building subject to the
25	program utilizes more or less energy, and emits more or less greenhouse gases, than buildings of
26	comparable size, occupancies and uses, and to inform a statewide analysis of energy use trends and
27	opportunities to increase energy efficiency and reduce greenhouse gas emissions.
28	(c) Information to be collected in the benchmarking program and generally referred to as
29	"energy use information" shall include at a minimum:
30	(1) The name, mailing address, email, and telephone number of the owner, and the operator
31	if different from the owner;
32	(2) The address of the building and the municipality in which the building is located;
33	(3) The primary use, any additional uses, and gross floor area of the building;
34	(4) The building's total energy use in kBTU and total greenhouse gas emissions in pounds

1 <u>of carbon dioxide equivalent;</u>

2	(5) The breakdown of the building's energy use by electricity, gas, and other sources, and
3	any electricity generated by on-site renewable sources; and
4	(6) An energy performance rating or assessment score.
5	(d) The EC4 shall issue forms, guidance, or regulations as needed, to implement this section
6	including provisions related to compliance. The EC4 shall issue provisional guidance for public
7	facilities greater than twenty-five thousand square feet (25,000 sq. ft.) by July 1, 2026. The EC4
8	shall propose forms, guidance, or regulations as needed, for all covered properties by April 1, 2027,
9	and shall make all efforts to issue final forms, guidance, or regulations as needed, for all covered
10	properties by July 1, 2026.
11	(1) The EC4 may designate one or more alternative energy use benchmarking tools.
12	(2) The EC4 shall define one or more energy performance ratings or scores to aid building
13	owners, operators, the general public, and the EC4 in understanding the energy of greenhouse gas
14	emissions performance of the building relative to similar buildings.
15	(3) The EC4 shall identify the required information which shall include at a minimum, the
16	energy use information listed in subsection (c) of this section, and at least one of the energy
17	performance ratings or scores defined by the EC4, as well as necessary administrative information
18	such as the owner and operator of the building, contact information, and similar items.
19	(4) The EC4 shall promulgate regulations and procedures governing the calculation of
20	gross floor area, including areas that shall be excluded from the calculation.
21	(5) The EC4 shall promulgate regulations and procedures for the submission of required
22	information and may provide multiple alternatives for the form of submission, such as a paper form
23	and submission electronically via an online portal, and shall endeavor to streamline the submission
24	processes as appropriate.
25	(6) The EC4 shall promulgate regulations and procedures on data verification options for
26	required information.
27	(7) The EC4 may consider modeling property types, use details and other definitions
28	provided in the ENERGY STAR Portfolio Manager glossary.
29	(e) The EC4 shall provide technical support and guidance to owners and operators of
30	buildings subject to this section.
31	(1) The EC4 shall identify one or more building improvement tools as voluntary
32	complementary software or platforms that in the EC4's judgment can assist building owners and
33	operators in improving building performance and which may be public or private sector tools.
34	(2) The EC4 shall provide technical support and assistance on the use of the energy use

1 benchmarking tool and the building improvement tool, as well as building energy assessment, 2 improvement, and financial tools. 3 (3) Technical support and assistance may be provided directly and through contract and the 4 EC4 may consider a technical assistance hub. 5 (4) The EC4 may coordinate with the department of environmental management (DEM) 6 for enforcement of the building performance standards, and the standards and requirements set forth 7 herein. 8 (5) The EC4 may apply for relevant federal funding opportunities in support of this chapter 9 and may partner with nonprofit organizations and associations to make such an application if 10 beneficial. 11 (f) In administering this section, the EC4 may: 12 (1) Designate subcategories of buildings based on common characteristics such as building 13 use, and may establish different reporting requirements for subcategories; and 14 (2) Consider whether tenant-occupied units or spaces are separately metered and may 15 address such conditions in any forms, instructions, or responses to questions. 16 (g) The EC4 shall provide to owners instructions regarding tenant energy consumption 17 data, including best practices for lease provisions and for estimates where obtaining metered data 18 is not practicable. 19 (h) Not later than the deadlines provided in subsections (k)(1) through (k)(3), beginning in 20 the year indicated, the owner of each covered property shall submit to the EC4 energy use 21 information for each covered property. Such submission shall include additional required 22 information, if any, identified by the EC4 and shall be in the form and manner, if any, prescribed 23 by the EC4. The failure of the EC4 to issue guidance shall not excuse owners of this obligation. 24 (i) When an owner submits required information accompanied by evidence of data 25 verification by a third party per regulations issued pursuant to this section, the owner shall have an additional three (3) months beyond the dates indicated in subsection (k)(2) of this section to report. 26 27 (j) Within one hundred eighty (180) days of enactment of this chapter, the EC4 shall host 28 a workshop to explain the benchmarking requirements contained within this chapter. The EC4 shall 29 invite representatives from the Rhode Island League of Cities and Towns, the Rhode Island AFL-30 CIO, municipal building code officials, municipal planning officials, and other interested parties 31 identified by the commissioner of the EC4. 32 (k)(1) For public facilities with gross floor area greater than twenty-five thousand square 33 feet (25,000 sq ft), the first compliance date is April 1, 2027, for calendar year 2025 energy use 34 information, and thereafter the annual compliance date is April 1 for the prior calendar year.

1 (2) For covered properties with gross floor area greater than fifty thousand square feet 2 (50,000 sq ft), the first compliance date is March 31, 2027, for calendar year 2026 energy use 3 information, and thereafter the annual compliance date is March 31 for the prior calendar year. 4 (3) For covered properties with gross floor area greater than twenty-five square feet (25,000 5 sq ft), the first compliance date is March 31, 2028, for calendar year 2027 energy use information, 6 and thereafter the annual compliance date is March 31 for the prior calendar year. 7 (1) To the extent permitted by law, an electric distribution company as defined in § 39-1-8 2(a)(12) or gas distribution company included as a public utility in § 39-1-2(a)(20) that has greater 9 than one hundred thousand (100,000) customers shall make available to owners of covered 10 properties anonymized and aggregated usage data for owner's covered property for the purpose of 11 compliance with this chapter. By nature of being aggregated, the intent is to anonymize individual 12 tenant energy use information, and not disclose this or any other personal information related to 13 tenant customers or their accounts. 14 (m) To the extent that gas and electric companies incur new or additional expenses to 15 collect, aggregate, organize, or provide energy use information under this chapter, prior to filing 16 for cost recovery, must first demonstrate good faith efforts to secure federal, state, or other relevant 17 funding options. Thereafter, such additional expenses shall be eligible for cost recovery through 18 rates charged to customers under the appropriate cost recovery mechanisms as determined by the 19 public utilities commission. 20 (n) Electric and gas distribution utilities shall collaborate with the EC4 to identify best 21 practices for collecting and managing aggregated whole building data. 22 (o) The EC4 shall endeavor to ensure that electric and gas distribution companies or other 23 energy efficiency program administrator provide owners of buildings subject to this section with 24 up-to-date information about energy efficiency opportunities or actions available to increase energy 25 efficiency, including incentives in utility-administered or other energy efficiency programs and 26 changes in energy assessment technology. 27 23-27.5-5. Municipal implementation of building energy benchmarking 28 requirements. 29 (a) The EC4 shall establish procedures, including a process and conditions, for a 30 municipality to apply to the EC4 for the right to implement, in place of the EC4, the building energy 31 benchmarking requirements. Such conditions shall include, at a minimum, acceptance of 32 responsibility to collect the information specified by the EC4 from the covered property owners on 33 the schedule specified by the EC4, and the provision of benchmarking data to the EC4 annually. 34 (b) The EC4 shall review any application from a municipality to implement the building

3 final determination that the municipal plan does not meet the requirements of this section. 4 (c) A municipality that is approved to implement the building energy benchmarking 5 requirements shall be authorized to assess any fines related to the program as provided in the 6 approval by the EC4. Funds collected by a municipality shall be retained by the municipality. 7 (d) The EC4 shall evaluate any municipal programs established under this subsection at 8 least once every five (5) years and may withdraw its approval if municipal programs fail to comply 9 with those conditions. 10 (e) In the case of a municipality that has initiated a building energy benchmarking 11 requirement prior to the enactment of this law, the municipality may continue such program in lieu 12 of the benchmarking requirements to be established by the EC4. In such case, the municipality must 13 notify the EC4 of such intent within one hundred eighty (180) days of the enactment of this chapter 14 and must provide benchmarking data to the EC4 annually thereafter. 15 23-27.5-6. Building performance improvement. 16 (a) On a regular basis, the EC4 shall evaluate data relevant to understanding the energy use 17 and greenhouse gas emissions of buildings in Rhode Island, including, but not limited, to the 18 benchmarking data collected under this chapter. The EC4 shall publish reports summarizing the 19 data and the status of building emissions in Rhode Island biennially. Beginning no later than August 20 31, 2028, and annually thereafter, the EC4 shall post benchmarking data for the prior calendar year. 21 Such posted benchmarking data shall include, at a minimum, for each covered building required to 22 submit energy use information for the given calendar year, the address of the covered building and 23 its energy performance rating or assessment score. 24 (b) No later than August 31, 2028, the EC4 shall publish a report including a summary of 25 its activities and progress under this chapter and detailing recommended measures, policies and programs to achieve building emission reductions aligned with Rhode Island's net zero goal. The 26 27 EC4 shall issue supplemental reports biennially for a period of twenty (20) years. 28 (c) Performance metrics shall include site energy use intensity and may also include 29 greenhouse gas emissions or other metrics relevant to the purpose of this chapter. 30 (d) No later than June 30, 2029, the EC4 shall select performance metrics and set a building 31 performance standard for each property type or subcategory. 32 (e) The EC4 shall set final building performance standards that shall collectively cause the 33 aggregate greenhouse gas emissions attributable to all covered buildings to be reduced in line with 34 reaching net zero by 2050.

energy benchmarking requirements and the EC4 may deny a request if it is not satisfied that the

conditions in subsection (a) of this section are met. A denial must include a finding of facts and

1

2

LC004319/SUB A/2 - Page 9 of 16

1 (f) The EC4 shall set interim building performance standards for covered properties that 2 are applicable at the end of each five (5) year period between adoption and 2050. In doing so the 3 EC4 may use a straight-line trajectory, from the covered property's baseline performance for each 4 performance metric to the final building performance standard for that performance metric such 5 that each calculated performance metric shall improve in equal increments during each five (5) year 6 period. The EC4 may use other means to calculate interim building performance standards if it 7 deems the straight-line trajectory approach ill-suited for a covered property type. 8 (g) As of June 30, 2034, and at the end of every five (5) year period thereafter, the owner 9 of a covered property shall demonstrate progress toward each applicable final building performance 10 standard by achieving the interim building performance standard(s) set by the EC4 for the covered 11 property. 12 (h) If the owner of a covered property believes it cannot reasonably meet one or more of 13 the applicable interim or final building performance standards, then the owner may propose a 14 building performance action plan to the EC4. If the EC4 approves a building performance action 15 plan for a covered property, it shall comply with this law so long as the approved plan's terms are 16 fulfilled prior to the next compliance date. 17 (i) The EC4 shall issue forms, guidance and promulgate regulations necessary to implement 18 this section including requirements for building performance action plans. 19 (i) In consultation with the EJAB, the EC4 shall provide technical assistance for owners 20 lacking the financial, operational, or technical capacity to meet interim or final building 21 performance standards. To the extent possible, such assistance shall include information on 22 potential loan, grant, and other financing options for owners. 23 (k) The EC4 shall coordinate with utility companies, energy efficiency program 24 administrators, the public utilities commission, state agencies, and local governments, as 25 appropriate, to support the implementation of its recommendations pursuant to this section. (1) In the case of a municipality that has initiated a building energy performance 26 27 requirement prior to the enactment of this law, the municipality may continue such program in lieu 28 of the requirements to be established by the EC4 under this section. In such case, the municipality 29 must notify the EC4 of such intent within one hundred eighty (180) days of the enactment of this 30 chapter and must provide program and performance information to the EC4 annually thereafter. 31 23-27.5-7. Compliance assurance. 32 (a) The EC4 shall establish a program to maximize owner compliance with this chapter. 33 The EC4 shall issue forms, guidance and promulgate regulations as necessary to implement the 34 compliance program, and shall revise such forms, guidance and regulations from time to time as

1 <u>needed.</u>

2	(b) The EC4 may grant an extension, adjustment or exemption to an interim or final
3	building performance standards for a covered property whose owner submits a request, together
4	with documentation, in a form and date prescribed by the EC4, if the covered property meets any
5	of the following criteria:
6	(1) A demolition permit was issued, or demolition is planned, that will prevent achievement
7	of the next interim building performance standard;
8	(2) The covered building did not have a certificate of occupancy or temporary certificate
9	of occupancy for all twelve (12) months of the baseline year prior to the interim building
10	performance standard compliance schedule;
11	(3) The covered property is in financial hardship, as defined guidance or regulations issued
12	by the EC4; or
13	(4) The EC4 determines that strict compliance with the provisions of this law would cause
14	financial hardship or would not be in the public interest.
15	Any extension, adjustment or exemption shall apply only to the specific interim or final
16	building performance standard and shall expire no later than the end of the relevant five (5) year
17	period.
18	(c) The EC4 shall establish penalties for violations of this chapter through promulgation of
19	regulations issued pursuant to this chapter. In doing so, the EC4 shall endeavor to minimize
20	disproportionate impacts on communities impacted by poverty and environmental injustice. The
21	EC4 may coordinate with the department of environmental management (DEM) for enforcement
22	of the building performance standards, and the standards and requirements herein.
23	(d) Pursuant to each of the benchmarking requirements and the building performance
24	standards established under this chapter, the EC4 shall establish in regulations the process and
25	criteria for a building owner to apply for, and for the EC4 to grant or deny:
26	(1) A deadline extension; and/or
27	(2) A hardship waiver.
28	(e) The EC4 shall establish penalties for covered properties for violation of benchmarking
29	requirements and for violation of building performance standards. Such payment amounts or
30	formula shall reflect:
31	(1) The total number of annual benchmarking submissions which a covered property has
32	failed to achieve;
33	(2) The total number of interim and final building performance standards which a covered
34	property has failed to achieve;

1	(3) The assessed value of the covered property; and
2	(4) The magnitude of non-compliance under each performance metric.
3	(f) An owner whose covered property fails to comply with benchmarking requirements or
4	meet an interim or final building performance standard by the applicable compliance date shall be
5	required to make a penalty payment. Any owner who does not reside or conduct their business in
6	the covered property, but leases the covered property to a tenant or multiple tenants, shall remain
7	the party responsible for ensuring compliance with this section. Any penalty payments rendered as
8	a result of non-compliance shall not be passed on to any tenant who may lease the covered property
9	in order to offset the cost to the owner.
10	(g) The BPS fund shall be established as a permanent designated fund managed by the
11	EC4. The BPS fund shall be used to support the building benchmarking and performance
12	improvement program established in this law.
13	(1) All funds collected from payment of penalties assessed shall be deposited into the BPS
14	<u>fund.</u>
15	(2) All funds deposited into the BPS fund, and any interest earned on the funds, shall not
16	revert to the unrestricted fund balance of the general fund at the end of a fiscal year, or at any other
17	time, but shall be continually available for the uses and purposes set forth in this chapter without
18	regard to fiscal year limitation.
19	(3) Additional funds from other sources may also be deposited into the BPS fund.
20	<u>23-27.5-8. Appeals.</u>
21	An owner aggrieved by this section or compliance orders resulting therefrom may appeal
22	pursuant to the administrative procedures act, § 42-35-15.1.
23	SECTION 3. Chapter 23-27.3 of the General Laws entitled "State Building Code" is hereby
24	amended by adding thereto the following sections:
25	23-27.3-130. Electric-ready new buildings.
26	The purpose of this section is to require that all new buildings be electric-ready.
27	<u>23-27.3-130.1. Definitions.</u>
28	As used in this chapter:
29	(1) "Addition" means a significant extension or increase in the conditioned space floor area,
30	number of stories or height of a building or structure.
31	(2) "All-electric building or project" means a building or project that uses a permanent
32	supply of electricity as the sole source of energy to meet building energy needs. An all-electric
33	building or project shall have no natural gas, propane, or oil heaters, boilers, piping systems,
34	fixtures or infrastructure installed to meet building energy needs. This does not include back-up or

1 reserve power systems that are used when the electric grid is nonfunctional. 2 (3) "Alteration" means any construction, retrofit or renovation to an existing structure other 3 than repair or addition. Also, a change in a building, or a building's electrical, gas, mechanical or 4 plumbing system that involves a significant extension, addition or change to the arrangement, type 5 or purpose of the original installation that requires a permit. 6 (4) "Building energy needs" means all space conditioning including heating and cooling, 7 water heating including pools and spas, cooking appliances and clothes drying appliances. 8 (5) "Electric ready" means a building, project, or portion thereof that contains electrical 9 systems and designs that provide sufficient capacity for a future retrofit of a mixed-fuel building to 10 an all-electric building, including sufficient space, drainage, electrical conductors or raceways, bus 11 bar capacity, and overcurrent protective devices for such retrofit. 12 (6) "Family-sustaining jobs with good wages" means a job that meets or exceeds the Rhode 13 Island standard of need benchmark as established by the Economic Progress Institute. 14 (7) "Initial application" means the first site or building permit application for the building 15 or project. 16 (8) "Local approval" means a provision has been incorporated by reference into the 17 municipal code of ordinances by the legislative body of the municipality. Provision may be included as a general or zoning ordinance or bylaws. 18 19 (9) "Mixed-fuel building" means a building that uses a combination of electricity and fossil 20 fuels to meet building energy needs. For the purposes of this section, "mixed-fuel building" shall 21 not include buildings that use geothermal or solar energy to meet heating and/or cooling building 22 energy needs; provided, however, that they are otherwise all-electric buildings. 23 (10) "Mixed-use building" means a building used for both residential and commercial 24 purposes. 25 (11) "NACC and AGMT" means the North American Contractor Certification and 26 Architectural Glass and Metal Technicians Contractor Certification. 27 (12) "Public building" means a building that is owned by the state, a political subdivision 28 of the state, and/or a municipal government, including locally governed school districts and other 29 public or quasi-public elementary, secondary or higher education systems. 30 (13) "Repair" means the reconstruction or renewal of any part of an existing building for 31 the purpose of its maintenance, or to upgrade or correct damage. 32 (14) "Renovation" means any major construction or retrofit to existing structure other than 33 a repair. Renovation also means a change in a building, or a building's electrical, gas, mechanical 34 or plumbing system that involves a significant extension, addition, or change to the arrangement,

1 type or purpose of the original installation that requires a permit.

2	23-27.3-130.2. Requirement for electric-ready construction of new buildings.
3	(a) No city or town shall issue a permit for the new construction or alteration of any
4	residential, commercial, or mixed-use building that is not electric-ready if the initial application for
5	such permit was submitted after January 30, 2025, unless the circumstances set forth in § 23-27.5-
6	<u>130.4 apply.</u>
7	(b) As a condition to any and all permits subject to this act, and prior to, or in concurrence
8	with, any construction done on a building, for the purpose of building decarbonization, the building
9	envelope work done by all contractors and subcontractors shall be done in compliance with NACC
10	and AGMT standards, as defined in existing state law.
11	23-27.3-130.3. Exemptions.
12	(a) Notwithstanding the provisions of this chapter, a permit for construction of a new
13	mixed-fuel building may be issued upon a finding by the permitting body that constructing an all-
14	electric building or project is physically or technically infeasible and that a modification is
15	warranted. Financial considerations shall not be a sufficient basis to determine physical or technical
16	infeasibility. Modifications shall only be issued under this exception where the permitting body
17	finds that:
18	(1) Sufficient evidence was submitted to substantiate the infeasibility of an all-electric
19	building or project design. Such evidence shall show that the building either:
20	(i) Cannot satisfy necessary building code requirements without the usage of gas or oil
21	piping systems, fixtures and/or infrastructure; or
22	(ii) If the building is specifically designated for occupancy by commercial or industrial
23	uses which cannot feasibly operate using commercially available all-electric appliances; or
24	(iii) If mixed fuel is used to meet building energy needs and said building or group of
25	buildings are for the sole use as a hospital, medical facility, or laboratory for biological research.
26	(2) The installation of natural gas or oil piping systems, fixtures and/or infrastructure is
27	strictly limited to the system and area of the building for which an all-electric building or project
28	design is infeasible.
29	(3) The area or service within the project where gas or oil piping systems, fixtures and/or
30	infrastructure are installed is all-electric ready.
31	(4) The project's modified design provides equivalent health, safety, and fire protection to
32	an all-electric building or project design.
33	23-27.3-130.4. Rules and regulations.

34 The state building code commission shall propose guidelines for electric-ready buildings

- 1 by September 1, 2024, and shall make all efforts to promulgate final rules by December 1, 2024.
- 2 SECTION 4. This act shall take effect upon passage.

======= LC004319/SUB A/2 =======

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO HEALTH AND SAFETY -- BUILDING DECARBONIZATION ACT OF 2024

1 This act would establish a program for the energy and water benchmarking of large 2 buildings in Rhode Island and a standard for their energy performance. Further, the intent of the 3 legislature is to ensure that the office of energy resources has dedicated resources sufficient to 4 administer its responsibilities under this chapter to enable swift and steady progress towards Rhode 5 Island's net-zero mandate. 6 This act would take effect upon passage.

LC004319/SUB A/2
