



March 20, 2025

Honorable Stephen Casey
Chairman, House Municipal Government and Housing Committee
Rhode Island State House
82 Smith Street
Providence, RI 02903

TESTIMONY OPPOSING H5450 – AN ACT RELATING TO PUBLIC PROPERTY AND WORKS – ALL-ELECTRIC BUILDING ACT

Dear Chairman Casey and Honorable Members of the House Municipal Government and Housing Committee:

As the Board Chair of the Rhode Island Business Leaders Alliance (the “Alliance”), and having served on the U.S. Green Building Council, Rhode Island Board of Directors, and the state's Green Buildings Advisory Committee, I am grateful for the opportunity to provide the House Municipal Government and Housing Committee with this written testimony in response to H5450 – AN ACT RELATING TO PUBLIC PROPERTY AND WORKS – ALL-ELECTRIC BUILDING ACT.

H5450 proposes that no city or town may issue a permit for the construction of new buildings that are not all-electric if the initial application for a permit is submitted after December 31, 2026, unless certain limited circumstances apply.

The Alliance is a coalition of Rhode Island business leaders, trade associations, and educational institutions united by a shared commitment to improving Rhode Island’s business climate and overall economic competitiveness. Our goal is to transform Rhode Island into a national model of economic strength and competitiveness.

To be clear, the Alliance supports **common-sense legislative efforts to meet the state’s climate goals** without denying new construction of non-electric buildings. For this reason, the Alliance **opposes H5450** – the All-Electric Building Act – because it raises significant concerns about cost, infrastructure reliability, and the lack of suitable alternatives.

Concerns and Impact on Rhode Island's Economy and Residents

1. **Heating Fuel Costs and Energy Affordability**

Rhode Island already has some of the highest energy costs in the Northeast. Forcing an all-electric requirement will further increase costs for both residential and commercial property owners, worsening the financial strain on families and businesses.

- Heating fuel costs are a major concern, especially for residents using biodiesel with Energy Star-rated equipment to heat their homes.
- Biodiesel heating fuel – a renewable and lower-emission alternative to traditional heating oil – should be part of the solution, not excluded from the equation.
- The legislation's failure to accommodate such viable alternatives will leave Rhode Islanders with fewer and more expensive options for heating.

2. **Vermont's Clean Heat Policy Reversal and New York State Challenges**

Other states have already encountered significant problems with similar all-electric building mandates:

- **Vermont** recently passed the **Clean Heat Repeal Bill (S.65)**, allowing the state to pursue emissions reduction goals without raising the cost of fossil fuels or imposing new taxes or fees on residents. The repeal reflects the recognition that clean energy mandates cannot come at the expense of affordability and reliability.
- **New York State** has struggled with implementation of all-electric mandates, leading to stalled and collapsed new construction projects. Developers have raised concerns that increased costs and the lack of available infrastructure are making projects financially unfeasible, creating further strain on the state's housing market and construction sector.

3. **Impact on Rhode Island's Electric Grid**

- Rhode Island's electric grid is already overburdened. Mandating an all-electric building requirement will place additional stress on the grid, increasing the likelihood of power failures during peak demand periods.
- Extreme weather events have already exposed vulnerabilities in the state's electric grid, raising questions about whether the state can reliably meet the increased demand from an all-electric building mandate.
- A balanced energy mix, including heating alternatives like biodiesel and renewable hydrocarbon diesel, is essential for ensuring grid stability and resilience.

4. **Impact on Public Health and Safety**

- In the event of a power outage, residents relying solely on electric heating and cooking would face

significant challenges, particularly the elderly and vulnerable populations.

- In my neighborhood, where the average age of residents is over 80 years, many rely on specialized medical equipment that requires a consistent power source. Backup generators, which typically run on natural gas or diesel, would become essential – yet H5450 fails to address these realities.

5. **Workforce and Supply Chain Issues**

- The current HVAC workforce has an average age of 56, and there is already a nationwide shortage of certified technicians.
- Supply chain issues and increasing tariffs on HVAC components will create further obstacles for installation and maintenance of electric systems.
- Mandating a rapid transition to all-electric heating will exacerbate existing labor shortages and delay critical building projects.

Failure to Identify Suitable Alternatives

H5450 fails to adequately identify or support viable alternatives to electric heating, including:

- **Biodiesel heating fuel** – a heating fuel comprised of biodiesel and/or renewable hydrocarbon diesel blended with heating oil that meets ASTM D396 or a fuel comprised of renewable hydrocarbon diesel with petroleum heating oil that meets ASTM D975 – is a proven, lower-carbon alternative to traditional heating oil that should be part of the state's long-term energy strategy.
- Alternative heating solutions, such as **hybrid heat pump systems** and **renewable natural gas**, offer more practical and cost-effective pathways to reducing emissions while maintaining energy reliability.

Recommendation

The Alliance urges the Committee to:

- Reconsider H5450 in light of Vermont's policy reversal and New York's challenges.
- Expand the definition of allowable energy sources to include renewable and lower-emission alternatives like biodiesel and renewable hydrocarbon diesel.
- Commission a comprehensive grid impact study to assess Rhode Island's capacity to handle increased electric load from an all-electric mandate.

- Provide more flexibility in building codes to accommodate hybrid and mixed-fuel systems, allowing for a more gradual and balanced transition to cleaner energy.

Conclusion

We believe that achieving environmental progress while maintaining economic stability and growth requires a unified, collaborative approach that incorporates input from all key stakeholders – including business leaders, energy providers, and residents. H5450, as written, risks creating unintended consequences that will undermine Rhode Island's economic competitiveness and energy security.

Thank you for your time and consideration. Please feel free to contact me to continue this important conversation.

Respectfully submitted by:

Melissa Travis

Melissa Travis
Board Chair
Rhode Island Business Leaders Alliance