

# MODERNIZE THE ENERGY GRID

119th Congress

## STATUS

This past year, the House Energy and Commerce Committee held hearings and considered several pieces of legislation focused on grid modernization, reliability, smart technology, and cost savings for consumers and businesses that were voted on the House floor. We applaud House Energy and Commerce Chairman Brett Guthrie (R-KY) and Energy Subcommittee Chairman Bob Latta (R-OH) for advancing these measures, as well as those members who supported these efforts.

## THE ASK

The Building Owners and Managers Association (BOMA) International urges members of the House and Senate to support legislation that prioritizes grid modernization as a national imperative to enhance our nation's grid infrastructure to meet growing energy needs for both consumers and businesses. A modern, resilient grid is critical for economic growth, environmental stewardship, and the long-term success of the commercial real estate industry.

## SUMMARY

For the past two decades, energy use grew modestly, allowing utilities to use conservation measures and some infrastructure investments to meet demand. Over the next decade, America's grid operators are facing three main challenges as they work to ensure energy reliability and keep rates reasonable:

- Aging Infrastructure: "We need to build out a grid to meet current and future demand. Seventy percent of transmission lines are more than 25 years old, and they're showing their age. We know what we need to do. We need to build, and fast.[i]"
- Gigawatt-Scale Growth: The US grid is facing an extended period of load growth largely due to 1) building electrification; 2) data centers; 3) industrial demand; and 4) electric vehicle (EV) adoption. [ii]
- Generation-Mix Challenges Reliability: Energy generation has changed dramatically, with a large decline in coal to a rapid expansion of renewable and gas-powered generation. Nuclear power has also seen a resurgence. However, reliability challenges arise during cold weather events that reduce natural gas flows, and renewables don't produce when the sun doesn't shine or the wind stops blowing.

The Department of Energy estimates commercial buildings (all non-residential buildings) use about 35% of all U.S. electricity. Electricity demand in the United States is estimated to increase 2% yearly and as much as 50% by 2050[iii]. Energy use is the single largest operating expense in commercial office buildings, representing approximately one-third of typical operating budgets[iv], according to the EPA.

As a large user of electricity, the CRE industry expects energy costs to rise; however, numerous benefits will come from an updated energy grid:

- Operational Reliability: A modern grid ensures consistent power for critical building systems, reduces downtime, and protects tenant operations.
- On-Site Energy Generation: Enables property owners to deploy on-site renewables, battery storage, and participate in demand response programs.
- Cost Savings & Value: Advanced grid technologies help lower energy bills, reduce peak demand charges, and enhance property value.
- Smart Grid Technologies: AI and analytics will provide insights to optimize building energy use, improve asset management, and enhance tenant comfort.

[i] Sen. Sheldon Whitehouse. [Opening Statement at EPW Permitting Reform Hearing](#). February 19, 2025

[ii] Bank of America Institute. [Power Check: What is going on with the Grid](#). July 22, 2025.

[iii] Gas Turbine World. [Electricity demand expected to increase 50% by 2050](#). December 10, 2025.

[iv] EPA. [Commercial Real Estate: An Overview of Energy Use and Energy Efficiency Opportunities](#).

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