



Committee: Economic Matters
Testimony on: HB0839 - Maryland Resilient and Clean Energy Homes Act
Organization: Climate Justice Wing of the Maryland Legislative Coalition
Submitting: Laurie McGilvray, Co-Chair
Position: Favorable
Hearing Date: March 2, 2023

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB839. The Maryland Legislative Coalition Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorably on HB839.

This bill represents a new approach to incentivizing electricity customers and investor-owned utilities to make the grid more efficient and less costly for ratepayers as the State electrifies buildings and transportation. There are two core provisions of HB839 - upfront rebates for electrical work and equipment needed to facilitate electrification, and a commitment for recipients of incentives to participate in a “load management” program for a period of four years. Customers can earn additional compensation by helping the utility during critical peak events or by managing the demand on the grid, which will help avoid costly grid upgrades.

A “make-ready” credit, capped at \$3,000, is provided to any residential customer of an investor-owned utility that is making an electrification investment requiring an upgrade to the main electrical panel. A typical main panel upgrade can range between \$2,000 - \$5,000. The up to \$3,000 make-ready credit could influence a homeowner to make an electrical upgrade investment to facilitate their other electrification or clean energy projects. The cost of an electrical upgrade may be an even greater barrier for low-to-moderate income customers. The Climate Justice Wing is particularly excited to see that the bill will provide additional flexibility to cover up to \$6,000 in upgrade costs for qualifying low-to-moderate-income customers.

In addition, many low-to-moderate-income customers are not homeowners and may not directly benefit from the “make-ready” credit. We are very pleased that HB839 includes a multifamily program that can both extend the benefits of the program to these residents while incorporating beneficial electrification to customers who live in rental properties.

We support HB839 and urge a **FAVORABLE** report in Committee.