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VIA ELECTRONIC SUBMISSION

Delegate Kumar Barve
Chair, House Environment and Transportation Committee
Maryland General Assembly
Room 251
House Office Building
Annapolis, Maryland 21401

RE: House Bill 1134

Dear Chairman Barve:

Suburban Propane Partners, L.P. (“Suburban Propane”) writes in regards to House Bill 1134, requiring the state Department of Labor to adopt building standards mandating new meet all energy demands without the use of fossil fuels and are electric-ready. Suburban Propane has been serving customers for 95 years and is the nation’s third-largest propane retailer with operations in 42 states. In Maryland, Suburban Propane distributes propane to more than 55,000 customers, and we employ 158 people at 18 locations.

Suburban Propane supports Maryland’s overall goal of reducing the carbon footprint of buildings. However, pushing all building construction towards electricity as the only energy source comes with significant costs and is not an effective way to achieve the State’s goal. Combatting the impacts of climate change will require a technology-neutral approach that uses all available tools, including: low carbon intensity (CI) traditional propane, lower-CI renewable propane, zero- or negative- CI blends of renewable dimethyl ether (rDME) and renewable propane or traditional propane; and renewable natural gas (RNG). Therefore, we ask that House Bill 1134 be amended to promote a technology-neutral approach encouraging the adoption of the least carbon intense energy source to achieve Maryland’s goal of reducing greenhouse gas emissions.

As currently drafted, House Bill 1134 requires all new buildings less than seven stories tall meet all energy demands without the use of fossil fuels beginning October 1, 2025; all new buildings seven or more stories tall must meet all energy demands without the use of fossil fuels beginning October 1, 2029.



House Bill 1134 clearly prioritizes electricity under the inaccurate assumption that electricity is the energy source with the lowest carbon intensity. Electricity can be a tool in reducing the carbon footprint of buildings, but rapid electrification is detrimental to decarbonization. If buildings move to all-electric too quickly, it further taxes an already overburdened electrical grid. More power must be generated, which will most likely come from increased electric generation at existing power plants using fossil fuels, negating any benefit electrification may provide, and increasing electricity costs for residents.

Meanwhile, other low-, zero, and negative-CI fuels, including those previously mentioned, are already available to consumers and can be used in already existing infrastructure, allowing for immediate reductions in carbon emissions and saving residents thousands of dollars in conversion costs. For example, our subsidiary, Suburban Renewable Energy (Suburban Renewables), owns and operates RNG production facilities in Arizona, New York, and Ohio. This RNG is a drop-in replacement for natural gas and can use the existing natural gas transmission and distribution system.

Mandating that all new construction and major renovation projects use only electricity also ignores readily available lower-carbon and carbon-negative energy sources that can accelerate Maryland's path towards net-zero emissions. Instead of relying solely on electricity, we encourage the State to adopt a technology-neutral approach in reducing carbon emissions, similar to the clean fuel standards adopted in California, Oregon, and Washington for transportation emissions, and permit the use of other energy sources that are low-carbon, including traditional and renewable propane. Propane is a reliable and abundant energy source that millions of households and businesses use for heating, cooking, and other purposes. Rural communities, like many of the communities in Maryland, rely on propane as they do not have access to natural gas lines.

Suburban Propane is proud to be leading the propane industry in the energy transition to a low-carbon world. Through our Suburban Renewables platform, we are also committed to investing in the next generation of even cleaner, less carbon-intensive energy sources, such as rDME, biogas, renewable natural gas, and hydrogen. However, it will take time to bring these new products to widespread commercial scale and the use of clean propane will be important in reducing emissions in the short term.

We urge the House Environment and Transportation Committee to amend House Bill 1134 by adopting a technology-neutral approach that requires new buildings to use low-carbon, carbon-neutral, or carbon-negative energy sources. We would appreciate the opportunity to discuss with you how propane, renewable propane, and other low-carbon fuels can play a role in lowering the carbon footprint of buildings in Maryland. Thank you for your consideration.



Sincerely,

/s/ Paul M. Rozenberg_____

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