

The Honorable Chair, Senator Brian Feldman
Education, Energy, and the Environment Committee
2 West
Miller Senate Office Building
Annapolis, MD 21401

Chairman Feldman, Vice-Chair Kagan and member of the Maryland Senate Education, Energy, and the Environment Committee, on behalf of Consumer Energy Alliance (CEA), I write to share our comments on SB 1023 the Better Buildings Act of 2024.

Founded in 2006, CEA is a nonpartisan, nonprofit organization advocating for balanced energy policy and responsible access to resources. Our mission is to help ensure American families and businesses have access to affordable, reliable, and environmentally sustainable energy. Our members support all forms of domestic energy production – both traditional and renewable – as well as energy efficiency technologies. This is because we need to continue to meet the energy needs of our communities, protect our shared environment, and maintain our energy security – all while keeping the cost of energy affordable and the delivery of energy reliable for our families and businesses.

We understand the challenges and difficulties presented to the Education, Energy, and Environment Committee in trying to implement the sweeping directives related to the Maryland Building Performance Standards. CEA shares a commitment to finding paths that reduce the emissions profile of the state and find ways to stay in compliance with the directives of the law. However, some of the policy ideas under consideration – such as a ban on all fossil fuel services and appliances through the proposed energy conservation requirements and an all-electric– and solar–ready standard for new construction and provisions for existing residential buildings – could create significant economic hardships for Marylanders already struggling to get by.

Natural gas, fuel oil, and propane currently provide for over 50% of all Maryland households home heating needs. According to federal estimates, homes using natural gas for home heating were expected to save over \$400 more in heating costs during this winter’s heating season as compared to homes purely reliant on electric heating.

This is important because Maryland residents are already dealing with surging utility bills. According to the [report](#), Powerless in the United States, the number of households having their electricity disconnected as a result of not being able to pay skyrocketed. Nearly 74,345 Maryland families saw their power cut off between January and October 2022, and in [2023](#), disconnections skyrocketed 80% to 116,591.

While energy efficiency is an important pillar of offering energy savings and achieving greenhouse gas emissions reductions, attempts have been made in other states to use the building code process to ban

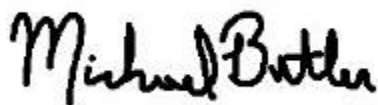
appliances and services without considering the overall site to source environmental impact of those requirements or cost impacts to customers. According to a [study](#) by Home Innovation Research Labs, requiring forced electrification on new construction can add upwards of \$14,495 in construction costs for homes in Baltimore and areas of similar climate across the state.

As is too often the case regarding energy policy, low- and fixed-income communities would likely be most affected by untested solutions like forced electrification.

It is worth noting a few key observations in closing:

- No independent cost-benefit analysis has been conducted to examine the impact of complying with these proposals. This is a fundamental building block and principle of public policymaking that should have been completed and provided with the proposed code changes now under consideration.
- Policy decisions cannot occur in a vacuum. Without getting into the complexities and suite of issues of decarbonizing the residential, commercial, and transportation sectors for roughly 6.2 million people, considering whether the existing electric system can support this transition without harming reliability and without significant investment in the electric grid is necessary. This is particularly true provided PJM's warning about electric reliability in Maryland earlier this year.
- Marylanders demand energy justice to achieve social and economic equity in our energy system while remediating social, economic, and health burdens on those disproportionately harmed by unaffordable or unreliable energy. Unnecessarily increasing housing prices and rent through unattainable building codes disproportionately affects the poorest among us.

Again, thank you for the opportunity to comment on SB 1023 the Better Buildings Act of 2024. We ask that you carefully consider the cost implications for families and businesses throughout the state resulting from the adoption of this proposed legislation.

A handwritten signature in black ink that reads "Michael Butler". The signature is written in a cursive, slightly slanted style.

Michael Butler

Mid-Atlantic – Executive Director

Consumer Energy Alliance