

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

On behalf of the Energy and Poverty Awareness Center (EnPAC), I write to share our comments on the proposed Maryland Building Performance Standards – Fossil Fuel Use, Energy 2 Conservation, and Electric– and Solar–Ready Standards 3 (Better Buildings Act of 2024).

The Energy and Poverty Awareness Center (EnPAC) is a non-profit dedicated to advancing reliable and affordable energy policies that help alleviate and reduce poverty in racial and ethnic minority communities.

I founded EnPAC after witnessing how energy policies created systemic barriers perpetuating energy poverty among minority communities. While I am not from Baltimore, I spent a significant number of formative years in the city and have paid witness to the struggles of the Black community. For this reason, EnPAC champions initiatives that bring forward more thoughtful policy, education, and sustainable energy solutions to underserved neighborhoods that help foster economic growth opportunities and improve the quality of life for marginalized communities.

Affordable energy is vital for communities of color. By keeping energy costs affordable, families can redirect funds to other critical needs, fostering economic stability and improving overall quality of life.

Maryland is mistakenly taking regulatory steps that will ultimately serve as a de facto ban on natural gas services and appliances negatively impacting communities that can least afford it. These decisions will be extremely costly for all ratepayers, from families to large and small businesses, and worse, for low-wage workers, people on a fixed income, and others who are just trying to get by. This is especially important for Maryland's Black families and the state's Black middle class, <u>the largest in the nation</u>. Black Americans pay 43% more for energy than the average U.S. household and are three times more likely to be disconnected.

Last winter, homes using natural gas spent \$746, while those relying on electricity were expected to spend an average of \$1,268 this winter. That is a projected difference and savings of \$522 in winter home heating bills for those using natural gas compared with electricity.

Electrification also forces significant costs onto homeowners. According to the consumer website <u>Homewyse</u>, a new heat pump in Baltimore, Maryland, would currently cost homeowners between



\$4,177 and \$5,239. After labor, fees, and permits, costs can hit \$20,000 or more, not including ducts, according to consumer website <u>HomeAdvisor</u>.

Requiring the replacement of just four major gas appliances like water heaters, furnaces, stoves, and dryers could top out at more than \$26,884 for a Baltimore household. For families that are already struggling financially, where are they going to access these funds?

Polling shows that these aggressive anti-energy positions are deeply unpopular; for example, a new poll shows left-leaning Maryland is deeply averse to one of Governor Wes Moore's largest environmental initiatives to cut carbon emissions, with 61 percent of those surveyed saying they oppose plans to end sales of new gas-powered cars by 2035.

EnPAC wants to see a clean future with lower emissions, and we can get there without dictating energy choices for families, seniors, and or neighbors. Natural gas also helps renewables get rolled out sooner, a fact that should not be overlooked. We even have the opportunity to clean up our landfills and farms by using new technologies like renewable natural gas (RNG), which can help reduce potent methane emissions and improve water quality, all while still using existing infrastructure.

Marylandersdeserve access to clean, efficient, affordable energy, regardless of background or economic status. We recognize the historical inequities that have disproportionately affected us and are committed to advocating for transformative initiatives that ensure equal access to sustainable, reliable, and affordable energy sources.

We respectfully request the Senate to reconsider the unduly taxing requirements of SB 1023 which will have negative impacts for Maryland's racial and ethnic minority communities.

Gary Baxter Founder, Energy Poverty Awareness Center