



Bill: SB 1023- Maryland Building Performance Standards

Position: OPPOSE

Dear Chair, Vice Chair, and Members of the Committee:

On behalf of the Maryland Coalition for Inclusive Energy Solutions (MCIES), a trade association promoting the inclusivity of all energy sources to meet the state's energy needs, I am writing to oppose.

Electrifying buildings does not necessarily lead to decarbonization. A significant percentage of electricity provided to Maryland today is supplied by fossil fuels. Mandated building electrification now would shift the point source of emissions from a new building to a base load electric generation facility. Senate Bill 1023 fails to address the need for a diverse and robust energy portfolio, necessary to maintain grid stability and reasonable, affordable utility rates for residential homes and commercial buildings in Maryland.

The legislation prevents the use of new technologies like renewable natural gas and hydrogen which is expected to provide cost-effective heat and energy to homes and businesses. In fact, changes in households' heating fuel expenditures for the upcoming winter will likely vary significantly. Because we expect natural gas prices will be lower than last year, the 46% of U.S. households that use natural gas as their main heating fuel will likely spend less on heating this winter compared to last winter¹. In addition to the cost-effectiveness, these technologies can produce meaningful greenhouse emission reductions over other conventional energy sources in the short and long term, and thus should not be barred from use.

It should be noted, the federal Energy Policy and Conservation Act (EPCA) preempts state regulations or laws that effectively ban EPCA-regulated products from accessing necessary energy sources. *See, e.g.,* 42 U.S.C. § 6297(c). SB 1023 is expressly intended to reduce greenhouse gas emissions by mandating electric only buildings and preventing the use of fossil fuel appliances. In most buildings, appliances like natural gas furnaces and water heaters are "covered products" under EPCA and EPCA preempts efforts by states to establish "energy conservation standards" relevant to these products, particularly where state legislation functionally ban the use of the products. Accordingly, MCIES believes this legislation is preempted by federal law.

For these reasons, we respectfully oppose this legislation.

Sincerely,

George Anas
President

¹ <https://link.edgepilot.com/s/b174b4a5/10qRlpK1BE6fRkDehp3OFA?u=https://www.eia.gov/outlooks/steo/report/WinterFuels.php%23tab1>