Testimony - HB 1279 - Better Buildings Act - Favor Uploaded by: Ashley Egan



Testimony in Support HB 1279 - Maryland Building Performance Standards -Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

To: Chair Korman and Members of the Environment and Transportation Committee From: Phil Webster, PhD

Lead Advocate, Climate Change Unitarian Universalist Legislative Ministry of Maryland. Date: March 4, 2024

The Unitarian Universalist Legislative Ministry of Maryland (UULM-MD) strongly supports **SB 1023 - Maryland Building Performance Standards - Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)** and urges a FAVORABLE report by the committee.

The UULM-MD is a statewide faith-based advocacy organization, with over 1,200 members, based on the Principles of Unitarian Universalism. Unitarian Universalists believe in *"justice and equity in human relations"* and *"respect for the interconnected web of all existence of which we are a part."*

The Better Buildings Act meets several very important goals in the effort to protect Maryland from the ravages of climate change and environmental injustice.

The Climate Solutions Now (CSN) Act of 2022 set very ambitious goals for reduction in emissions of greenhouse gasses. The original bill included language to decarbonize construction—both in new buildings and substantial modifications. This language was stripped from the bill and replaced with a study of the capabilities of the electrical grid. That study, known as the Brattle Report, has been completed and clearly states that the grid can handle the anticipated growth.

The Better Buildings Act reintroduces the requirements that were removed from the Climate Solutions Now Act of 2022.

The Better Buildings Act would be the most cost effective legislative action that Maryland could take. The direct cost to the state budget is practically zero and the impacts would be significant for the climate.

Analysis from RMI.org shows that all-electric, single-family homes cost \$350-\$400 less to construct in Maryland than mixed-fuel homes, which use both gas and electricity. All-electric houses utilize heat pumps—which are 2–4 times more efficient than comparable gas appliances—for space heating and water heating. Consequently, a typical all-electric home in Maryland will save its owners \$510 on utilities each year. That's 20% less than the annual utility bills for a Baltimore household living in a new home with gas. However, imagine what it will be when gas prices are expected to increase as much as 130% as we approach 2030!

Leakage of methane gas from an aging—and poorly maintained—infrastructure is also a significant problem. The IPCC (Intergovernmental Panel on Climate Change) estimates the fossil fuel sector accounts for about 35% of anthropogenic methane emissions. Methane gas is an extremely potent greenhouse gas, over 80 times more potent than CO_2 . However, its atmospheric lifetime is approximately 10 years, as compared between 300 to 1000 years for CO_2 , which means we would get more immediate benefits from stopping the use of methane.

Decarbonization of all new buildings and substantial renovations is required to meet the legally mandated requirements of the Climate Solutions Now Act.

All-electric buildings are a health priority for Maryland. Burning fossil fuels for heating and hot water produces pollution that harms Marylanders, especially children, the elderly, people of color, and low-income households. Maryland can prioritize health by helping residents and businesses make the switch to all-electric appliances.

Adoption of the Better Buildings Act would:

- Save Marylanders money for both construction and utilities,
- Have negligible impact on the state budget
- Help meet the greenhouse gas emissions goals
- Provide healthier homes and safer workplaces

We strongly support this bill and urge a FAVORABLE report in committee.

Phil Webster

Phil Webster, PhD Lead Advocate, Climate Change UULM-MD

HB1279 Written Testimony - Brahnan Greben - Electr Uploaded by: Brahnan Greben

TESTIMONY IN SUPPORT OF HB1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric – and Solar – Ready Standards (Better Buildings Act of 2024)

The Electrify Our Future organization strongly encourages the Committee to recommend the favorable reporting of HB1279, also known as the Better Buildings Act of 2024, introduced by Delegates Boafo, Charkoudian, Foley, Guzzone, Hill, Kaiser, Ruth, Stein, Terrasa, and Wu.

Electrify Our Future (EOF) is a student-led organization, advocating for electrification throughout the state of Maryland. Electrify Our Future, consists of multiple chapters across the state, the primary ones being in Baltimore, Howard, and Montgomery counties. As an organization, we work to educate Maryland residents and communities about the benefits of electrification, whilst staying politically active to support legislative action favoring electrification. Electrify Our Future commends the Maryland General Assembly for its prior work in combat climate change. However, Electrify Our Future recognizes that more legislation needs to be passed to further the fight against the pressing issue of global warming and pollution. The Better Building Act of 2024 greatly aligns with the perspectives of our organization, as we believe this bill will progress the future of electrification, allowing future Maryland generations to live sustainable lives.

House Bill 1279 addresses two striking issues regarding Marylanders; air pollution and overly expensive electrical billing.

Climate change and global warming have caused many of the environmental problems our state, nation, and planet face today. The state of Maryland is home to the beauties of nature, yet the overuse of fossil fuels is rapidly deteriorating our glorious state. From 2017 to 2023, Maryland residential, commercial, and institutional buildings recorded a 3.7% increase in fossil fuel pollution. Maryland's Climate Change Program emphasized a goal in which the state of Maryland would record a net zero carbon pollution by 2045. However, based on current trends, Maryland's infrastructure is putting a halt to achieving this task. HB1279 states " a requirement that new buildings and significant improvements of buildings and structures meet all water and space heating demands of the building or structure without the use of fossil fuels;" (Section 12-503.1(B)(1)(i)). Additionally, the Better Buildings Act of 2024, encourages the use of electric, non-fossil-fuel-dependent vehicles, by demanding greater implementation of electric vehicle charging stations. Overall, this bill establishes guidelines and provisions for making a more sustainable Maryland.

Augmented rates of pollution are being linked to thousands of cases in which Maryland citizens endured negative health effects, as a result of pollution and smog production. Smog and dense air pollution are proven to cause severe respiratory problems, which may result in premature death. Individuals living in highly polluted urban environments are the most

susceptible to these conditions. Oftentimes, those living in poorer socioeconomic communities have the highest exposure to pollution, as many of their households rely upon older machinery, requiring more fossil fuel input. For example, residents in Baltimore City, on average, pay \$2,556 per year for electricity and energy alone. In comparison, to the average salary of a Baltimore resident, according to the United States Census, \$2,556 equates to approximately 4.38% of their yearly income. If the Maryland General Assembly were to pass the Better Buildings Act of 2024, Maryland citizens would feel assured that their government is taking action that meets the people's medical and financial needs.

Climate change is a matter that needs to be met with a sense of urgency. Passing HB1279 will build upon Maryland's basis for a cleaner future, by outlining new requirements for Maryland infrastructure and transportation. As a state, we must all fulfill our respective responsibilities to make Maryland, a better environment for our children and grandchildren, to come.

For these reasons, the Electrify Our Future organization asks for a FAVORABLE REPORT on HB1279.

HB 1279 Maryland Building Performance Standards – Uploaded by: Cait Kerr



Protecting nature. Preserving life.

The Nature Conservancy Maryland/DC Chapter 425 Barlow Pl., Ste 100 Bethesda, MD 20814 tel (301) 897-8570 fax (301) 897-0858 nature.org

Wednesday, March 6, 2024

TO: Marc Korman, Chair of the House Environment and Transportation Committee, and Committee Members

FROM: Cait Kerr, The Nature Conservancy, State Policy Manager; Mariana Rosales, The Nature Conservancy, Director of Climate

POSITION: Support HB 1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

The Nature Conservancy (TNC) supports HB 1279 offered by Delegate Boafo. HB 1279 will require new homes and buildings to incorporate the most energy-efficient equipment, safety standards, clean air equipment, and effective insulation. It aims to provide lasting cost savings, health benefits, and climate resilience to generations of residents without increasing the cost to build. This bill is consistent with Maryland's Building Energy Transition Plan developed by the Maryland Commission on Climate Change (MCCC). One of the four core recommendations in this plan is that, "The General Assembly should require the Maryland Building Code Administration to adopt a code that ensures that new buildings meet all water and space heating demand without the use of fossil fuels," and further states that these requirements should include that all new buildings "are ready for solar, electric vehicle charging, and building-grid interaction. This code shall apply to all new residential, commercial, and state-funded buildings beginning as early as possible but no later than 2024."

TNC, as a member of the Mitigation Working Group and the Buildings Sub-Group, provided funding for the Maryland Building Decarbonization Study, which supported the MCCC's Building Energy Transition Plan. This study modeled three potential building decarbonization scenarios and made recommendations for Maryland to achieve deep decarbonization of building end-uses by mid-century, while also analyzing the costs and benefits of each potential pathway. One conclusion from this study was that "All-electric new construction is found to be less expensive considering both equipment and fuel costs than those connecting to gas grid and using fuels for heating."

According to the state's Greenhouse Gas Emissions Inventory, buildings sector emissions accounted for approximately 16.6 percent of the state's total greenhouse gas emissions in 2020. This is the third largest emissions source in our state. The Building Energy Transition Plan is intended to serve as a roadmap for reaching net-zero emissions from residential and commercial buildings by 2045, consistent with the state's commitments under the Climate Solutions Now Act of 2022. HB 1279 offers a cost-effective method to put the MCCC's recommendations into action in order to set Maryland on a clear path toward significant buildings sector emissions reductions that aligns with our commitments.

TNC commends Delegate Boafo on putting forward this bill, which aims to implement the MCCC's building decarbonization recommendations in order to achieve our climate goals, while also reducing consumers' costs, providing long-term health benefits, and promoting new construction that is resilient to extreme weather and increasing energy demands.

Therefore, we urge a favorable report on HB 1279.

HB 1279_LWVMD_FAV_2024.pdf Uploaded by: Casey Hunter



TESTIMONY TO THE HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE

HB 1279 - Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

POSITION: Support

By: Linda T. Kohn, President

Date: March 6, 2024

Since the emergence of the environmental movement in the 1970's, the League of Women Voters has advocated for policies that protect our planet and promote public health. The League believes in advancing comprehensive legislation to mitigate the climate crisis, and accelerate the transition to predominant reliance on renewable energy.

The League of Women Voters of Maryland **supports HB 1279**, **the Better Buildings Act**, which would protect our health from indoor air pollution, reduce our dependence on expensive methane gas, and move us closer to a fossil-free energy system. **HB 1279** would enact key Building Performance Standards requiring new buildings to meet energy demands without using fossil fuels.

The Better Buildings Act would ensure that Maryland is a part of the new green future. Residential and commercial buildings that powered *without* fossil fuels are cheaper to build, cheaper to operate, and minimize both indoor and outdoor air pollution. In 2020, buildings in Maryland contributed nearly a third of greenhouse gas emissions statewide.¹ This makes building electrification a top priority for Maryland to reach its goals of reducing emissions 60% by 2031 and achieving net-zero emissions by 2045.

So much is at stake as we approach the deadlines for Maryland's climate targets. There is no more time to delay meaningful climate action.

The League of Women Voters of Maryland strongly urges a favorable report on HB 1279.

¹ Building Energy Performance Standards: What You Need to Know, Maryland Department of the Environment, 31 Oct. 2023.

HB1279_Better_Buildings_Act_MLC_FAV.pdf Uploaded by: Cecilia Plante



TESTIMONY FOR HB1279

Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

Bill Sponsor: Delegate Boafo
Committee: Environment and Transportation
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE WITH AMENDMENTS

I am submitting this testimony in favor of HB1279 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

The buildings sector is the most complicated facet of the electrification process that Maryland has embarked on. In order to meet the state's statutory goal of zero greenhouse gas emissions by 2045, we will have to electrify the entire buildings sector, including existing as well as new buildings. We cannot achieve this goal if we continue to build new buildings that rely on fossil fuel usage. We MUST cut that off immediately in order to control the size of the problem. We also need a plan for existing buildings to get rid of the fossil fuel infrastructure that they were built to use.

This bill, if enacted, would provide a partial solution to the problem. For new buildings, and any additions to existing buildings that increase heat loads by 30% or more, as well as any other significant improvements to use only electric energy, beginning October 1, 2026. It also requires EV-readiness, and solar readiness.

However, there is not a plan to get rid of fossil fuel appliances in existing homes, including gas stoves although energy efficient heat pumps and heat pump water heaters are cleaner, greener, and less costly than those using fossil fuels. Our members would like to see the legislature take this hard, but necessary step to making our lives cleaner and healthier and less costly. We support this bill and recommend a **FAVORABLE WITH AMENDMENTS** report in committee.

Testimony in favor of HB1279, the Better Buildings Uploaded by: Cheryl Arney

To Members of the House Environment and Transportation Committee,

I would like to submit FAVORABLE testimony for HB1279, the Better Buildings Act of 2024.

As the Baltimore Sun said in its editorial on January 9 (**Climate change must be on top of the General Assembly agenda this year**), "...it's simply irresponsible to plan for greatly expanded consumption of natural gas". I agree. If Maryland is to eliminate greenhouse gas emissions from our building stock, we must act to begin that process. This bill does that by requiring new buildings to generate heat and hot water without using fossil fuels.

And that's totally possible. When I bought my new home in 1980, there were no gas lines in my new development. My house was heated and cooled by an electric heat pump, and its water was heated by an electric hot water heater. All of the homes in this new neighborhood were quickly sold. My family was quite satisfied with our all electric home. I submit that it's time we go "back to the future" and require new buildings in Maryland to be all electric for heat and hot water. Heat pumps are now more effective at providing heat at much lower temperatures and much more efficient than they were in 1980. And they have always been much more efficient when compared to natural gas.

At a time of greater budget constraints in Maryland, it's noteworthy that this bill will require very little state money to implement. But at the same time, it gives Maryland a lot of bang for its buck in mitigating climate change by gradually but steadily converting our building stock to be fossil fuel free.

At the same time it will save future building owners money because of the other energy conservation requirements in this bill. Those same efficiency requirements will mean less electricity is required from the grid.

Getting rid of gas furnaces in new buildings also makes them safer. If a gas furnace is not operating properly, it can release carbon monoxide into the air. If undetected and not remedied, that can be a killer.

For all these reasons, I ask that you return a FAVORABLE vote on HB1279. Thank you.

Cheryl Arney 4361 Wild Filly Ct. Ellicott City MD 21042

HB1279 Better Buildings Act - AIA Maryland Support Uploaded by: Chris Parts



4 March 2024

The Honorable Delegate Marc Korman Chair, Environment and Transportation Committee Room 251 House Office Building Annapolis, Maryland 21401

Re: Letter of Support for HB 1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

Dear Chair Korman and members of the Environment and Transportation Committee:

I am writing to voice AIA Maryland's support for House Bill 1279 – The Better Buildings Act of 2024. AIA Maryland represents nearly 2,000 architects in the state of Maryland and advocates for the profession and the quality of the built environment. We are architects and we have an important role in project planning, design, and systems implementation.

The key points of this legislation are:

- Establishing a standard that requires new buildings to meet all water and space heating demands without the use of fossil fuels
- Buildings that receive a waiver from this standard, shall be electric-ready.
- New buildings will be solar-ready if they meet certain parameters (20,000 sf or more of continuous roof area and 2 stories or less above grade plane).
- Buildings meet the electric vehicle charging infrastructure requirements.

We believe it is reasonable for the waivers permitted through this legislation that enables certain functions to operate with fossil fuel sources, but requires the buildings to be electric-ready, having adequate panel capacity and space to accommodate future install of High-efficiency electric appliances.

This bill aligns with building performance standards that calculates Site Energy Use Intensity, effectively energy consumed per sf of building area. This sets performance requirements for buildings to meet, progressing toward a net zero energy balance on or after October 1, 2035

As architects, we are happy to report that many of our projects are already being designed to meet water and space heating demands without the use of fossil fuels. This includes schools, commercial buildings, multifamily residences and many other types of projects. EV charging is certainly on the rise, and standards help in providing predictable guidelines to follow.

As identified in Maryland's climate pathway report, in the building sector, we need electrification and efficiency measures to be a priority to achieve our goals. The easiest piece of this is working with new buildings and those buildings that are being substantially renovated so they can be tied into renewable energy sources. Integrating renewable energy sources or capacity into building electrification helps to provide added grid stability and the opportunity to reduce peak loads. The grid study identified sufficient electric capacity without a need for capacity growth through 2031 and a progression of growth, no greater than prior needs will be developed to meet demands.

⊤ (410) 263-0916 aiamd.org These guidelines establish performance targets, that are achievable and on some projects are already being met. It helps us move toward our statewide carbon reduction goals and, it provides a healthier environment in which to live or work. We ask for your support to sets Maryland up for success moving forward and we encourage you to issue a favorable report on HB1279.

Sincerely,

V

Chris Parts, AIA Director, Past President, AIA Maryland

High Performance Heat Pump Testimony.pdf Uploaded by: Daniel Helfrich

Testimony in favor of SB1023 The Better Buildings Act of 2024

Daniel Helfrich 4420 Manor Lane Ellicott City, Maryland Howard County District 9A Homeowner Retired Mechanical Systems Engineer

March 1, 2024

For several years now, my wife Mary and I have been incrementally renovating our modest rancher located on a rural residential lane in Ellicott City. One of the key improvements was adding a high performance electric heat pump for both heating and cooling the house. Previously we had been heating with a basement woodstove and electric baseboard heaters. Cooling was only possible via a whole house fan or window air conditioners. As one may imagine, we were struggling with maintaining a comfortable interior for quite a few years. The high performance Mitsubishi heat pump we installed does it all now, and performs amazingly, without any backup equipment needed, and without any need for fossil fuel.

Our new heat pump is built around a very modern variable speed compressor system quite unlike the compressors found in the heat pumps I have had in all my prior homes heated with electric-only systems (all 5 of them). We require no backup electric resistance heating elements inside the house because we simply will never need them. Our new heat pump has proven to be fully capable of heating our home with outdoor temperatures in the single digits, and is rated to work well even in negative temperatures. For example, in December of 2022, when we had a 5 deg F nighttime low, it delivered all the heat we needed all night long. I read the temperature coming out of the indoor air handlers and it was over 100 degrees, despite the extremely cold air outdoors.

My decision to take the electric heat pump route, and forego a fossil fuel system like propane or oil for heating, was mostly practical, but also morally right. To install a propane system–we don't have gas service on our lane–would have been a big investment in the fuel storage and supply equipment. Further, I would have had to tear up our walls and floors and use up valuable volume in our house, and headroom in the basement, running ductwork and installing a furnace. On top of all that, I would have to worry about the price swings of fossil fuels. Even without a state grant or BGE-sponsored price reduction, the choice to go purely electric wasn't even worth a detailed cost comparison. And the system went in without any drastic changes needed in my 50 yr old electric panel. As for the moral aspect of our decision, as the saying goes, "When you find yourself in a hole, stop digging."

In summary, I am very glad that our modern electric heat pump has for almost two years now fully met our expectations for providing us a very comfortable home year round. Having recently learned of the pollution dangers of heating and cooking with propane and natural gas, I am even more satisfied with my decision to avoid investing in fossil fuel equipment in my home.

Anyone who claims otherwise is not to be believed–modern electric heat pumps are fully adequate for all of Maryland's weather, as well as being healthier, less expensive to own and operate, and energy efficient. I firmly believe that the State of Maryland will be moving in the right direction by passage of the Better Building Act of 2024.

Sincerely, Daniel Helfrich

David Goodrich House ENT testimony 3-6-24.pdf Uploaded by: David Goodrich

Testimony of Dr. David Goodrich, Rockville House Environment and Transportation Committee March 6, 2014

I'm Dr. David Goodrich, a retired climate scientist from NOAA, board member of Chesapeake Climate Action Network, and Montgomery County resident. I'm testifying in support of HB 1279, the Better Buildings Act. I read statements from members of home builders associations that start with "I'm not going to get into a debate about climate change..." That's good, because there's nothing to debate. If you inhaled the smoke from the Canadian fires last summer, that's climate change. If you watch the water inching up the Annapolis waterfront, or land disappearing from Dorchester County, that's climate change. If you watch stretches of the coast get obliterated from increasingly intense hurricanes, that's climate change. It's here now, it's not just something for our grandkids, and it's driven by greenhouse gas emissions. We can't keep locking in those emissions from buildings for decades to come.

I know that building electrification can be done, because I've done it. I've installed a heat pump, electric hot water heater, and solar panels for my 1969 house. I gas up my car from my roof now. There is an upfront cost, but the utility bill payback accrues to homeowners and renters, not fossil fuel companies. Climate change is simple: we're in a hole, and we need to stop digging. As a citizen and a scientist, I ask that the House of Delegates put the interests of the people before those of the oil companies and pass the Better Buildings Act.

Thank you for the opportunity to testify.

HB1279_Delegate_Boafo_Testimony.pdf Uploaded by: Delegate Adrian Boafo

ADRIAN BOAFO Legislative District 23 Prince George's County

Economic Matters Committee



The Maryland House of Delegates 6 Bladen Street, Room 225 Annapolis, Maryland 21401 410-841-3047 · 301-858-3047 800-492-7122 *Ext.* 3047 Adrian.Boafo@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Chairman Marc Korman Environment and Transportation Committee House Office Building, Room 251 Annapolis, Maryland 21401

Chairman Korman, Vice-Chair Boyce and Members of the Environment and Transportation Committee,

Globally, 2023 was the hottest year ever recorded - 1.48 degrees centigrade above pre-industrial temperatures. As a state with an enormous ocean and bay coastline, Maryland is particularly vulnerable to the effects of climate change. Maryland's buildings are a significant source of greenhouse gas emission, accounting for about a third of Maryland's carbon pollution.

HB1279 requires construction of all new buildings and certain renovations be all-electric by 2035 to meet the state's zero-emission-ready standards. Buildings that provide parking will also be required to be EV-capable or EV-ready and larger buildings will be required to be solar-ready.

All-electric buildings lower costs, improve health outcomes, and reduce our contribution to climate change. Many Maryland builders are already meeting these standards because it is cheaper to not implement both electrical systems and gas systems, so there are no gas fees to be paid.

However, we acknowledge that HB1279 must be flexible for systems and areas that cannot feasibly use non-fossil fuel energy. Jurisdictions are permitted to grant waivers for certain types of buildings such as laboratories, laundromats, hospitals, and crematoriums.

HB1279 takes an effective approach to requiring healthy, energy efficient, and climate appropriate buildings in Maryland.

Thank you,

Delegate Adrian Boafo

CLPP testimony HB1279 FAV.pdf Uploaded by: Donald M. Goldberg Position: FAV



3405 Shepherd St. Chevy Chase, MD 20815 202-390-3050 www.clpproject.org Contact: donald@clpproject.org

Committees: Environment and Transportation Testimony on: HB1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024) Organization: Climate Law & Policy Project Submitted by: Donald M. Goldberg, Executive Director Position: Favorable Hearing Date: March 6, 2024

Climate Law & Policy Project strongly supports SB1023.

As described in Maryland's Climate Pollution Reduction Plan, "Direct fuel use in the building sector accounted for 16% of Maryland's GHG emissions in 2020" (citing the state's Greenhouse Gas Inventory). Decarbonization of Maryland's building stock is a vital part of the state's climate efforts.

SB1023 would require Maryland's Building Performance Standards to end the use of fossil fuels for water heating and space heating in new buildings. Technologies are available to efficiently, effectively, and affordably meet this requirement.

SB1023 would expand electric vehicle charging infrastructure requirements, to help ensure Maryland buildings have the infrastructure in place to support the growing numbers of electric vehicles that will be on Maryland's roads as the state's transportation sector decarbonizes.

SB1023 would gradually improve the site energy use intensity of new buildings over time until reaching net-zero around 2035. We applaud this provision, but believe it is insufficiently clear that it applies to new school buildings. If it does not, CLPP respectfully suggests that language should be added to make clear that the requirement applies to new school buildings. Indeed, the deadline to achieve net-zero for schools could be moved even earlier, as there is already substantial evidence that new net-zero schools can be built for the same or less cost compared to conventional schools, while providing a host of other benefits to students and staff in those buildings.

SB1023 makes common-sense improvements to the state's Building Performance Standards. CLPP urges this Committee to issue a favorable report on SB1023.

House Joint Testimony on BBA.pdf Uploaded by: Doug Siglin Position: FAV



Joint testimony on HB1279, The Better Buildings Act of 2024 House Committee on Environment and Transportation March 6th, 2024 Position: Strongly Support

These 35 groups and coalitions, representing tens of thousands of Marylanders and perhaps more, urge the Committee to favorably report HB1279, the Better Buildings Act of 2024, introduced by Delegate Adrian Boafo and several cosponsors.

Each of the last ten years has ranked among the globally hottest ten years ever recorded. Compared to the magnitude of the climate crisis that humans face, **HB1279 is a modest climate and health policy bill that really should not engender a lot of controversy.** Maryland has statutorily committed to reaching net zero carbon pollution by 2045 – just 21 years from now. The Governor has recently advanced a comprehensive plan to make those required reductions with a necessary but quite large price tag. It makes no sense to make our challenge worse by allowing new buildings to burn fossil fuels that directly spew carbon pollution into the air beyond the statutory net zero date. Similarly, it makes no sense to allow buildings to waste electric energy that must be generated for the foreseeable future with at least some percentage of carbon-emitting fuels.

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SB1023 addresses both of those areas. After a reasonable transition period, the bill would disallow direct burning of fossil fuels for heat and hot water energy in most new buildings. It would also speed up the slow and uncertain model energy codes adoption process to make new buildings more energy efficient, giving Maryland a better shot at reaching its statutory 2045 carbon pollution reduction targets.

We want to strongly emphasize that passing the Better Buildings Act would bring significant climate, health, and cost-savings benefits to Marylanders with very little additional cost to the state. Perhaps it would require a small addition to the budget of the Building Codes Administration for consultants, although national energy codes experts who have analyzed the Better Buildings Act have concluded that almost no additional work would be needed, and there are ample federal and private resources available for technical assistance to the BCA staff. In fact the legislation explicitly authorizes the BCA to seek advice from the Department of Energy or the national energy labs.

The core idea of HB1279 is similar to HB831, introduced by Delegates Stein and Barve in 2022 and heard by this committee. It is also similar to the Climate Solutions Now Act as originally introduced in 2021 and eventually passed in 2022. The 2022 Climate Solutions Now Act's requirement that "new buildings meet all water and space heating demand without the use of fossil fuels" – the same language as HB831 – was dropped out of the bill in favor of a grid capacity study, which has shown that Maryland's utilities have plenty of capacity to accommodate new building electrification, and far more in addition. The General Assembly did, however, make a promise at that time that the Better Buildings Act manifests:

- (1) the General Assembly supports moving toward broader electrification of both existing buildings and new construction as a component of decarbonization; and
- (2) it is the intent of the General Assembly that the State move toward broader electrification of both existing buildings and new construction on completion of the study required under subsection (b) of this section.

HB1279 would restore the language dropped out of the Climate Solutions Now Act in 2022 and add reasonable energy conservation, EV charging readiness, and solar

readiness provisions that would move us more rapidly towards a 100% clean energy future.

Requiring new buildings to be largely fossil free has corollary benefits for Marylanders as well, in at least three ways:

- 1) Avoiding fossil fuel heat and hot water appliances that vent to the outside **would** reduce outdoor air pollution, which is a serious health problem in densely populated areas and has significant environmental justice implications.
- 2) New homes and buildings that avoid fossil fuel lines and appliances for cooking, while not required by the bill, **would be much better indoor environments for the respiratory health of children and adults.**
- 3) Owners and tenants in new homes and buildings that avoid the enormous cost increases projected for the delivery of methane gas would enjoy significant savings on their ongoing fuel bills.

Architects, engineers, and energy policy experts will testify at the Committee's bill hearing that the electrification and energy saving policy steps required by HB1279 are cost-effective and achievable, despite what well-funded groups desperate to maintain the status quo would have you believe. Others will testify that electric heat pump technology has advanced rapidly and, with more than 25,000 models in the marketplace, is entirely capable of keeping people comfortable during the coldest parts of Maryland's winter and the hottest parts of Maryland's summer, with significantly reduced fuel costs and carbon emissions.

We are very grateful that the General Assembly has set high statutory climate goals and has required public and private plans to meet them. With a handful of other states and DC, Maryland stands out as a model and inspiration for other states and localities. **There is no policy that makes more sense to achieve Maryland's climate goals while providing significant public health and economic benefits to consumers than electrifying and conserving energy in newly built buildings.** We implore the Committee to stand up to the naysayers and do everything possible to allow HB1279 to become law this year.

HB1279_JCRC_Singer_FAV.pdf Uploaded by: Elizabeth Singer

JCRC JEWISH COMMUNITY RELATIONS COUNCIL JEWISH FEDERATION OF HOWARD COUNTY

Committee:	Environment and Transportation
Testimony on:	HB1279 – Maryland Building Performance Standards-Fossil Fuel Use,
	Energy Conservation, and Electric-and Solar-Rady Standards (better
	Buildings Act of 2024)
Organization:	The Jewish Community Relations Council, (JCRC)
	Howard County, MD
Submitting:	Betsy Singer and Laura Salganik, Co-chairs
Position:	FAVORABLE
Hearing Date:	March 6, 2024

Dear Chair and Committee Members:

Repair of the world (*tikkun olam*) is a guiding tenant of our Jewish faith. We are compelled to act to prevent massive changes to Earth's climate as we face rising temperatures due to burning fossil fuels that trap greenhouse gases in the Earth's atmosphere.

Fossil fuel furnaces and water heaters cause 17% of Maryland's greenhouse gases. An efficient and affordable way to lower heat-trapping emissions is to switch from burning fossil fuels to heat and cool buildings and homes and instead use clean energy sources. We can do that through features of The Better Buildings Act, which carries <u>no additional costs for the Maryland state government.</u>

The bill requires that the state Building Code Administration adopt codes that require all **new** buildings, additions that increase heat loads by 30 % or more and significant improvements meet all energy demands of the building without the use of fossil fuels. Local jurisdictions could grant limited waivers including for cooking appliances and for backup power systems as well as for restaurants, labs, hospitals, and crematoriums. Buildings granted waivers would be required to be built electric-ready and must include automatic ventilation to maintain healthful indoor air quality.

Costs to build buildings to save energy and avoid fossil fuel combustion range from less expensive to slightly more. However, costs are falling and there are also generous new federal subsidies available to developers for high-efficiency buildings. Owners and tenants in new allelectric homes and buildings will also avoid the substantial cost increases projected for the delivery of methane gas in future years. Electric heat pump technology has advanced rapidly and has significantly reduced fuel costs and carbon emissions.

For these reasons, we strongly support SB 1023 and urge a FAVORABLE report in committee.

RMI MD BBA Testimony - Written - House.pdf Uploaded by: Erin Sherman



RMI 1850 M St NW, Suite 280 Washington, DC 20036

Committee:	Environment and Transportation Committee
Testimony on:	HB1279, "Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)"
Position:	Support
Hearing Date:	March 6, 2024

Members of the Committee,

RMI is a nonpartisan, nonprofit organization working to transform global energy systems and secure a clean, prosperous, zero-carbon future for all. RMI supports HB1279/SB1023, the Better Buildings Act, and requests a favorable report from the committee.

Passing this bill will help Maryland to achieve its climate goals and advance other key outcomes, including improved health, lower energy bills, and increased resiliency. As described further below, this bill will advance and align with the following factors:

- 1. Maryland's ambitious climate goals and the public interest
- 2. The state's current and future budgetary realities
- 3. A feasible energy transition for the electric grid
- 4. Maryland's Building Energy Performance Standards (BEPS)
- 5. The expertise and authority of the Building Codes Administration (BCA)

First: The BBA aligns with **Maryland policy goals and the well-being of Marylanders.** Through the <u>Climate Solutions Now Act of 2022</u>, Maryland has committed to a 60% reduction in emissions by 2031 and a net-zero economy by 2045. Maryland's Climate Pathway Report outlines how to achieve these goals, including through an <u>additional reduction of 1.6 MMTCO₂e from buildings by 2031</u>. The least-cost, easiest step to decarbonize new construction is to stop meeting energy needs with methane, whether fossil or biogenic. The <u>Maryland Building Decarbonization Study of 2021</u> found that across all three scenarios analyzed, all-electric construction would be the least-cost option for new single-family home decarbonization. <u>RMI analysis of the Maryland construction landscape</u> suggests that all-electric new homes are already less costly to build than homes with gas infrastructure. Maryland policy roadmaps, including the Pathway Report and the <u>Maryland Commission on Climate Change's 2021 Building Energy Transition Plan</u>, reflect these findings. The BBA would take a major step toward fulfilling a key recommendation from these roadmaps: an all-electric, or zero-emission, construction code.

The benefits do not end with fulfillment of Maryland climate goals. Strong energy codes are a win across the board: they reduce bills, protect our health, keep people safe in extreme weather, and improve equity in outcomes.

- Reducing bills: <u>Decades of analysis</u> from the US Department of Energy (DOE) and National Laboratories shows that energy codes cost-effectively reduce energy bills. According to the <u>US</u> <u>Energy Information Administration</u>, more than 1 in 4 Americans—and nearly 1 in 2 low-income Americans—struggle to pay their energy bills, and 1 in 5 Americans forego basic necessities like food or medicine to pay their energy bills.
- Protecting health: Burning fossil fuels creates pollution that harms human health. Outdoor air pollution from combustion inside buildings <u>led to the early deaths of over 600 Marylanders and over \$7 billion in statewide health impacts</u> in 2017 alone. Communities of color bear an alarming and disproportionate share of the health and pollution burdens from fossil fuels in buildings. A recent study found that people of color in Maryland are exposed to 60% more outdoor PM_{2.5} pollution from residential gas combustion as white people.
- Keeping people safe in extreme weather: There is a growing body of evidence that efficient, low-emission buildings are not only critical climate solutions: they also increase resilience to current and future climate change-fueled extreme weather. A joint study of US DOE and three National Laboratories found that more efficient buildings extend how long people can remain safely inside buildings during extreme heat and cold. Energy efficiency literally saves lives thanks to this benefit. National Ocean and Atmospheric Administration data shows that Maryland's average temperatures have already increased about 2°C or nearly 4°F from pre-industrial temperatures. The frequency and danger of heat waves has also increased across the US. Highefficiency buildings will protect Marylanders from these escalating risks in coming decades.
- **Improving equity:** In addition to reducing the inequitable outcomes described above, energy codes differ from voluntary programs such as LEED certification, utility rebates, and tax incentives because they set requirements applying to *all* new construction—including buildings in disadvantaged communities and affordable housing. The benefits of energy efficiency should be ensured for all Marylanders, not reserved for a lucky or privileged few.

Second: The BBA would deliver these benefits while posing **no or minimal direct costs to the state government and avoiding larger mid- to long-term costs**. While

Should the BCA require additional resources to implement BBA's later efficiency targets or its requirement for efficiency levels to be unbiased with respect to fuel type, two federal funding streams collectively worth over \$1.2 billion are available for large grants: the <u>Resilient and Efficient Codes</u> Implementation program under the Infrastructure Investment and Jobs Act and the <u>Technical Assistance</u> for the Adoption of Energy Codes program under the Inflation Reduction Act. Additionally, in-kind assistance is available through the US DOE's Energy Codes <u>Technical Assistance Network</u> and the <u>National Energy Codes Collaborative</u>.

Third: The BBA would keep a lid on both infrastructure costs for utilities and energy bills for Maryland ratepayers because, as report prepared for the Maryland Public Service Commission and General Assembly <u>recently found</u>, efficient all-electric new construction will result in **lower peak electricity demand** than business-as-usual new construction. High peak demand can cause utilities to maintain or build new "peaker plants," often methane gas-fired rapid-cycling power plants that are particularly costly to ratepayers. Peak demand is a key factor driving the structure and function of Maryland's economy, and reducing it produces win-win-wins for utilities, developers, and ratepayers. If new construction were highly efficient, utilities would be less likely to become a bottleneck to project

timelines due to difficulties building infrastructure to support large new loads. In turn, new developments would be more likely to be built on time and fixed charges on ratepayer bills would be lower.

Fourth: The BBA aligns with the proposed **Building Energy Performance Standard (BEPS)** rule. Building owners deserve clear guidance on how to align new buildings with BEPS. In current law and rule, there is no relationship between BEPS and Maryland's energy code, so an owner runs the risk of purchasing a brand-new building that will need costly retrofits to comply with BEPS in just a handful of years. The BBA would help buildings permitted in 2026 comply with the 2040 final standards of BEPS from day one. Not only would the BBA ensure new buildings do not emit greenhouse gas emissions: it would also ensure that energy codes require site energy use intensity (site EUI) outcomes in line with BEPS starting in 2026. RMI would be happy to provide a memorandum detailing how the BBA is aligned with and supports BEPS upon request.

Fifth: The BBA aligns with **the mandate and authority of the Building Codes Administration**: it sets requirements for new construction. Site energy use intensity, or EUI, is a commonly used metric for setting efficiency goals and its meaning is simple: it is the annual energy used per square foot in a building. In other words, regulating site EUI is regulating efficiency: it is what state and federal law expressly authorize the BCA to do. By following the mandates of the Maryland Public Safety article and case law relevant to Maryland, BCA can exercise its authority to implement the BBA lawfully and in alignment with Maryland policy goals.

All told, the BBA is necessary, commonsense policy to keep Marylanders safe, healthy, and comfortable in their homes and workplaces while addressing the immediate threat of climate change. RMI looks forward to the bill's passage and swift implementation, and requests a favorable report from the committee.

Signed,

Erin Sherman Senior Associate RMI

Better Buildings CR House.pdf Uploaded by: Frances Stewart Position: FAV



Committee:	Environment and Transportation
Testimony on	HB 1279, Better Buildings Act
Organization:	Climate Reality Greater Maryland
Submitting:	Frances Stewart, MD, Chapter Chair
Position:	Favorable
Hearing Date:	March 6, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB 516. Climate Reality Greater Maryland is the Maryland chapter of the <u>Climate Reality Project</u>, a global network of 3.5 million people working to build a net zero future in which all of us can thrive. We urge you to vote favorably on HB 516.

Climate change is one of the greatest threats to our public health. The health effects include more vector-borne diseases, more heat-related illnesses such as heat stroke, injuries from wildfires and extreme weather events such as hurricanes and floods, and mental health problems. These issues threaten the lives and health of all Maryland residents, particularly children and the elderly.

One thing that is less often recognized is the close tie between air pollution and greenhouse gas emissions. 88% of Maryland residents live in areas that do not meet EPA air quality standards. Air pollution is a major contributor to absences from work and school, increased healthcare costs, and premature deaths. This can be seen clearly in the high rates of hospitalization for asthma in Maryland, especially in Baltimore. Research shows that decreases in air pollution lead to significant and rapid decreases in asthma hospitalizations. Improvements in health, especially in children and people living in overburdened communities, will be the first benefit we see from decreasing the use of fossil fuels.

The Climate Solutions Now Act of 2022 set the ambitious carbon pollution reduction goals of any state in the country. We must meet those goals. As the <u>Maryland</u> <u>Commission on Climate Change</u> said in their 2023 report, "The climate crisis is upon us. Within just five years, global temperatures could breach the critical 1.5°C threshold, triggering catastrophic and irreversible consequences. This long-feared catastrophe is imminent - the time for meaningful climate action is now."

Buildings account for <u>13% of the state's polluting carbon emissions</u>. It is impossible to meet our essential goals if we continue to utilize fossil fuels for space and water heating.

The Better Buildings Act does just what its name implies – it requires most new buildings to be built smart from the start, with better energy conservation and no onsite fossil fuel combustion for space and water heating. It requires electrification, EV-readiness, solar readiness, and high levels of energy efficiency in new buildings over 25,000 square feet.

SB1023 implements a simple vision of how we want our public and private buildings to be in the future – less expensive to operate and much better for the climate crisis we face. It is a common-sense bill that ensures that new construction utilizes highly efficient, cost-effective electric appliances that are better for our health, our wallets, and the climate.

Today's heat pumps are three to four times <u>more efficient</u> than fossil fuel heating equipment and remain two to three times more efficient even in winter weather. According to a report by the Building Decarbonization Coalition (BDC), the average heat pump sold uses as much as <u>29% less electricity</u> during periods of peak demand than a central AC unit. The Maryland Energy Administration states, "Heat pumps are an essential tool to lowering monthly energy bills and keeping electricity demand low yearround."

Tax credits and rebates made available by the Inflation Reduction Act have made efficient electric appliances more affordable for Marylanders in every income bracket. Across Maryland, 98% of households using high-efficiency electric appliances instead of fossil fuel heating equipment can save money on their monthly energy bills. The median low-income household in Maryland would <u>save \$373 per year</u> by replacing a gas furnace with an all-electric heat pump.

The net effect of passing the Better Buildings Act would be to reduce carbon pollution emissions both directly (through onsite combustion) and indirectly (through electric generation), improve air quality, and substantially lower utility costs for homeowners and renters.

To strengthen the bill, we urge the committee to consider the prohibition of any fossil fuel appliances in the home, including gas stoves, which have been shown to have significant <u>adverse health impacts</u>, including a higher risk of asthma In children. Also,

when a building is all-electric, the risk of gas explosion is eliminated, and the risk of carbon monoxide poisoning is greatly reduced.

As Maryland transitions to a cleaner energy future, buildings using efficient electric heat pumps and heat pump water heaters will be cleaner, greener, and <u>less costly to build</u> <u>and operate</u> than those using methane gas or oil. All-electric buildings are simpler to construct, and that simplicity leads to cost savings. <u>Gas piping increases the cost</u> to build a typical single-family home in Maryland by \$2,580.

Mandating that new construction be smart from the start is a common-sense first step to reducing emissions from buildings.

As Jonathan Foley, director of <u>Project Drawdown</u>, said in a <u>recent interview</u>, a one-year delay in the implementation of a climate solution decreases its value by about 7%. The time to act is now. We strongly recommend a FAVORABLE report for HB 1279 in committee.

HB 1279 Letter of Support_USGBC.pdf Uploaded by: Gracie Tilman



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March 4, 2024

Delegate Marc Korman, Chair MD House Committee on Environment and Transportation Room 251 House Office Building Annapolis, Maryland 21401

RE: USGBC Support for HB 1279 (Better Buildings Act of 2024)

Dear Delegate Korman and Members of the Committee on Environment and Transportation,

On behalf of the U.S. Green Building Council (USGBC) and our strong green building community in Maryland, we are writing to express our support for HB 1279, the Better Buildings Act of 2024, and to kindly ask for your support of the bill.

USGBC is a nonprofit organization dedicated to transforming the way buildings and communities are designed, built, and operated to create thriving, healthy, equitable, and resilient places that advance human and environmental wellbeing. Best known for the LEED green building rating system, USGBC has a thirty-year history of championing proven building decarbonization strategies, because we know that green buildings save money, improve energy and water efficiency, reduce carbon emissions, and create healthier places for people.

According to USGBC's <u>State of Decarbonization report</u> released in December 2023, the U.S. needs to deploy building decarbonization solutions at a greater speed and scale to align with climate goals in the Paris Agreement. Building decarbonization strategies include emphasizing energy conservation, removing indoor combustion sources, and creating EV & PV ready buildings, all of which are referenced in HB 1279. Because Maryland has already committed to climate goals that are more stringent than the Paris Agreement through the 2022 Climate Solutions Now Act, and the <u>2023 Maryland Climate Pathway Report</u> identifies the buildings sector as one of the most critical pathways to achieve the state's climate targets, Maryland must enact new building decarbonization legislation like HB 1279 to meet its public commitment to achieve net-zero emissions by 2045. HB 1279 strengthens and complements Maryland's existing building energy performance standard (BEPS) by adding a requirement for new buildings and major renovations to meet all water and space heating demands without the use of fossil fuels, as well as meet energy conservation, electric-, EV- and solar-ready standards. By pairing building electrification in tandem with energy efficiency measures, the bill will help ensure equitable impact on consumers and reduce impacts to the grid. That being said, Maryland's grid is already equipped to accommodate high building electrification; the Maryland Public Service Commission's recent <u>electrification grid impact study</u> states that "peak load growth through 2031 with high electrification of the building sector will be comparable to or less than the growth rate the Maryland system has seen over the past 40 years."

Finally, as buildings have a direct impact on human health and wellbeing, it is imperative that all Marylanders can access the health benefits of improved indoor air quality, as well as the financial benefits of reduced energy bills. HB 1279 ensures that everyone will receive the benefits of living and working in healthy, energy-efficient, electric buildings.

Overall, USGBC has decades of experience in the green building space, and we fully support this bill. HB 1279 is complementary to Maryland's existing climate goals and policies, leverages cost-effective building decarbonization strategies, and supports human health. We respectfully urge the Committee to support HB 1279.

Sincerely,

Gracie Tilman

Gracie Tilman Advocacy Partnerships Associate gtilman@usgbc.org



usgbc.org

Better Buildings Act House Testimony_Rewiring Amer Uploaded by: Jamal Lewis

March 6, 2024

Honorable Marc Korman, Chair Environment and Transportation Committee Room 251 House Office Building Annapolis, Maryland 21401

Re: HB 1279 - Better Buildings Act of 2024

Dear Chair Korman and Members of the Environment and Transportation Committee:

Good afternoon Chair Korman and committee members, for the record, my name is Stephen Pantano, and I am representing Rewiring America, the nation's leading electrification nonprofit. Thank you for the opportunity to provide testimony. Today, we urge a favorable report on HB 1279, which would ensure that Maryland reaps the <u>myriad of benefits</u> of a more resilient, sustainable, and electric built environment.

I'd like to use my time today to set the record straight on what electrification means and how it will advance equity and energy affordability while also bringing Maryland closer to achieving its climate goals. Here are 9 facts about what all electric buildings mean for Maryland.

- Maryland's electric grid can handle the electrification of all newly-constructed buildings. The <u>PSC's December 2023</u> study indicated that high electrification scenarios in Maryland result in aggregate electric system load growth rates in the range of 0.6-2.1% per year through 2031, which is well within the normal range of growth (-0.6 -4.9%) over the last 40 years.
- Newly constructed all-electric buildings are more affordable to build and maintain. A 2022 New Buildings Institute <u>analysis</u> found that new all-electric, single-family homes were less expensive to build than new mixed-fuel homes that rely on gas for cooking, space heating, and water heating.
- 3. Electrification of newly constructed buildings will create economic benefits. This includes up to <u>\$2 billion in health benefits by 2031, more than 16,000 new jobs created</u>, and increased personal income by nearly \$1.5 billion by 2031.¹
- 4. **Newly constructed electric buildings will mean lower energy bills for families**. The average Maryland household would save over \$1100² per year in reduced energy

¹ Maryland Climate Pathway Report, 2023

² Rewiring America analysis - Community profiler: Medium efficiency heat pump scenario + heat pump water heater scenario (unpublished)

bills if they electrified their home's space and water heating and cooling. Those savings are enhanced if basic weatherization and insulation are also included.³

- 5. Electrification of newly constructed buildings will be equitable. Sixty-five percent would save more than \$300 a year on energy bills by heating with heat pumps and heat pump water heaters, with space heating energy demand projected to be 50 to 60 percent less than for typical buildings.
- The Better Buildings Act is essential in reducing carbon pollution from the building sector and achieving the state's climate goals. Maryland's Climate Pathway report found that to meet our climate goal of slashing emissions by 60% percent by 2031, Maryland must require the phaseout of methane gas and petroleum in household appliances so that over 90% of new appliance sales are zero-emission by 2031 and 100% electric by 2045.
- Newly constructed buildings with heat pumps reduce carbon pollution no matter the generating source of the energy. Even under conservative modeling assumptions, <u>98 percent of U.S. households would cut their carbon pollution</u> by installing heat pumps today — no matter the fuel mix of their grid-generated electricity.
- 8. **Heat pumps can be used in cold-climates.** Cold climate heat pump technologies are common in places like Norway and Maine, both of which have significantly colder climates than Maryland.
- 9. Heat pumps are no less reliable than fossil fuel space heating equipment during power outages. Gas furnaces on the market today still need electricity to power their electronics and fans so they don't necessarily increase household resilience.

As we continue residential development in Maryland, it is critical that we build smart from the start. In passing HB 1279, this committee recognizes that reality and would be taking necessary action. We urge a favorable report on HB 1279 and help Maryland communities move closer to a more resilient, healthier, and cleaner future. I am available for any questions.

Thank you,

Jamal Lewis Director of Implementation Learning & Integration Rewiring America

³ Rewiring America analysis - Community profiler: Medium efficiency heat pump + basic weatherization scenario and heat pump water heater scenario (unpublished)

House CCAN testimony for Better Buildings Act.pdf Uploaded by: Jamie DeMarco



Testimony in Support of Better Buildings Act HB 1279 House Environment and Transportation Committee 3/6/2024

Jamie DeMarco, Maryland Director Chesapeake Climate Action Network Action Fund

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable report on HB1279, the Better Buildings Act.

This important legislation would require that new buildings in Maryland meet their space and water heating needs without the use of fossil fuels. This policy costs nothing, saves Marylanders money, and reduces pollution. This policy would not require any changes in existing buildings and would only apply to new buildings. Importantly, the Better Buildings Act still allows buildings to be built with a gas stove. If you want a gas stove in your new home, you can still have one under this policy. Only furnaces and water heaters in new buildings are affected.

New York State, California, Washington State, and one hundred local jurisdictions across the country have already enacted this policy. That includes Howard County and Montgomery County Maryland. New polling found that <u>80%</u> of Marylanders support the policies laid out in the Better buildings Act.

It costs less to construct a new building heated by electricity than it is to build a new building that is heated by gas. That is according to an analysis done by the Maryland Department of the Environment under the Hogan Administration. Requiring buildings to meet their space and water heating needs without the use of fossil fuels will reduce the cost of new construction, including the cost of new housing units. Below is a graph from that report:



All-electric design is expected to be the less expensive option

 All-electric new construction is cheaper than mixed-fuel new construction for single-family residential homes across all decarbonization scenarios due to both lower capital (with avoided gas connection) and operating costs



Everytime we allow a new home to be built with a gas furnace we are driving up costs for Marylanders. Both because gas furnaces are more expensive to build and to operate and because someone will have to pay to retire those gas furnaces before the end of their useful lifetimes. Maryland has committed to having net zero carbon pollution by 2045, which is only 21 years away. We cannot achieve net zero emissions and heat our buildings with fossil fuels, which means fossil fuel infrastructure built today will have to be retired in less than 21 years. Fundamentally, no one buries a new pipe in the ground and expects to retire that pipe within 21 years. Allowing new construction to be heated by fossil fuels means that utilities will be installing pipes that will have to be retired in 21 years, a sunk cost that will ultimately be borne by ratepayers.

Decarbonizing Maryland's building stock over the next 21 years will be a challenge. The very first, easiest, and most obvious action to take is to stop making the problem worse. Requiring new buildings to meet space and water heating without fossil fuels will stop digging our hole any deeper than it already is. This is the low hanging fruit. The longer this action is delayed the harder all of our jobs become.

Ensuring new buildings aren't heated by fossil fuels will also improve outdoor air quality. Every fossil fuel powered furnace vents outside, and that vent is like a little smokestack that emits air pollutants like Nitrogen Dioxide. <u>A recent study</u> found that air pollution from heating buildings in Maryland is three times greater than all the air pollution from power plants in Maryland combined.



To save Marylanders money, reduce the cost of construction, clean up air pollution in the state, and make it easier to achieve our greenhouse gas reduction mandates, Maryland should pass the Better Buildings Act this year.

CONTACT Jamie DeMarco, Maryland Director jamie@chesapeakeclimate.org, 443-845-5601



Testimony for Better Buildings Act FINAL Jennifer Uploaded by: Jennifer Mizrahi



Committee:	Environment and Transportation
Testimony on:	Better Buildings Act (SB1023/HB1279)
Organization:	Mizrahi Family Charitable Fund
Submitting:	Jennifer Laszlo Mizrahi, co-founder/director
Position:	Favorable
Hearing Date:	March 6, 2024 1 PM

Honorable Chair and Committee Members:

Thank you for allowing my testimony today in support of SB1023 – The Better Buildings Act – which requires new homes and buildings to incorporate the most energy-efficient equipment, safety standards, clean air equipment, and effective insulation.

My name is Jennifer Laszlo Mizrahi and I serve on the Maryland Commission on Climate Change which <u>recommended</u> the policies in this proposed legislation. It will help us save lives and livelihoods of people across our state.

Previously I founded and led a Maryland headquartered disability nonprofit. I also know what it means to raise a child with multiple disabilities. There are more than 669,000 disabled people living in Maryland and most people in Maryland have a loved one with a disability. No group is more impacted from climate change.

People with underlying health conditions are more susceptible to death from extreme heat or cold. When the power goes off, people who rely on oxygen can't breathe, and people who use power wheelchairs can't move. When there is flooding, fires, or extreme wind they often cannot evacuate in time, or have no place to go that has the appropriate disability accommodations.

Maryland has a fantastic plan to fight climate change and the Better Buildings Act is a part of that plan. But it all honesty, we are not yet on track to meet our goals and time is running out. It's vital to do as much as we can as quickly and affordably as possible.

Fortunately, building right in the first place is a cost-effective way to save residents money while also saving our shared planet. This is important as people with low and moderate incomes, which includes most Marylanders with disabilities, need affordable housing. Thus, it is critical that this bill will help both their health and their costs of living.

Thank you for your consideration.

IPL-DMV Testimony for HB 1279 FAVORABLE (1).pdf Uploaded by: Joelle Novey



March 6, 2024

Testimony supporting HB 1279, Better Buildings Act of 2024 House Environment & Transportation Committee **Position: Favorable**

"Do the best you can until you know better. **Then when you know better**, *do better*."

— Maya Angelou

Chair Korman, Vice Chair Boyce, and members of the Committee,

There is no good reason to build a gas-burning building in Maryland ever again.

Today, we can build better buildings than we did in the past: all-electric heat pumps, heat pump water heaters, and induction stoves are more efficient than their gas-burning predecessors, healthier to breathe around, don't require leaking pipes or risk explosions, and protect our damaged climate. Inflation Reduction Act funds are rolling in to help pay for them, too. So now that we know better, state law should require that we do better.

Maryland's faith communities are doing *our* best to care for our neighbors and our common home. And that's why we want to live, work, and pray in buildings that don't burn gas indoors.

Our communities understand the harms of gas-burning because we have measured the pollution ourselves.

We are one of several grassroots organizations in Maryland using hand-held detectors both to measure methane leaks outdoors and to measure nitrogen oxide (NO2) indoors. NO2 is a respiratory irritant generated by gas-burning stoves. The EPA's outdoor guideline for safe levels of NO2 is 100 parts per billion. Our colleagues at Action in Montgomery (AIM), Adama Harouna and her team, have <u>measured NO2 in over three hundred kitchens</u> at

Cider Mill Apartments in Gaithersburg, Enclave high rises in White Oak, and in Northwest Park's garden-style apartments. One such tenant was Ana Argueta in Silver Spring. After her gas-burning stove was on for twenty minutes, measured nitrogen oxide at 434 ppb, <u>four times the EPA outdoor limit</u>. Adama says that many of the kitchens she tests reach unhealthy NO2 levels when the families cook, contributing to asthma and other breathing problems, especially for young and old. We give a dish towel to every household with a gas-burning kitchen we test, sharing tips for reducing the impact of gas-burning on the air families are breathing.



In December, nearly 400 folks gathered at Good Hope United Methodist Church sanctuary for a statewide action hosted by Action in Montgomery, IPL-DMV, and Maryland Sierra Club. We held up N02 readings from our kitchen tests, and a whole section of the room held up red signs with readings over 100.

At community events throughout Maryland, we've also been giving folks a sweet taste of what doing better looks like, serving up chocolate fondue prepared on all-electric induction cooktops.

Electrifying our homes and electrifying gas-burning buildings can be difficult and expensive. By contrast, **building Maryland buildings better to begin with is easy**. That's why diverse and energized grassroots coalitions helped pass all-electric building code bills already in Montgomery County, where we danced the "electric slide" in front of the council chambers, and in Howard County, where a series of passionate high school students led off supportive testimony from over a dozens community groups.

Because of several years of grassroots education undertaken by a dozen organizations, a groundswell of Marylanders know better, and want to do better. We call on our leaders now to do your best for us, too.

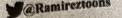
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nange. No doubt, they re and leverage that private funds - for ing enough in specific ects that they attract pitch in the rest.

ocess's success will not finds a neat resolution be a for-now unresolvr who owes what to that such conflicts not rd the overriding goal: ons that are driving the needs to invest about it it currently does in ergy. The U.N. process imary focus on cajoling neet their current emisto up their ambition. erhaps the most import in the climate fight last have occurred some y from Egypt. President ese President Xi Jinping at the Group of 20 conferndonesia, and agreed to U.S.-China climate talks. lings, this detente promis-

on a pact to cut emissions extremely potent green-



BY MICHAEL RAMIREZ FOR THE LAS VEGAS

LETTERS TO THE EDITOR

letters@washpost.com

Natural gas in homes is risky

When I heard that an apartment explosion in Gaithersburg had destroyed homes in two buildings and injured a dozen people on Wednesday morning, my heart sank ["12 hurt after blast, fire," Metro, Nov. 17].

Just the day before, as a director of the local Interfaith Power & Light, I was sitting in the chambers of the Montgomery County Council as Baltimore Gas and Electric's director for governmental affairs argued that the council should postpone passage of even a modest measure to require new buildings to be built without gas lines. "None of us knows" what a few all-electric buildings a year in the county would do to our infrastructure, he argued, and "we think that's really risky."

This is the third gas-related explosion in Montgomery County in just the past few years. We now know that gas-burning stoves pollute: with nitrogen oxide when they're on and with benzene when they're off. The gas in buildings such as Potomac Gardens is brought by miles of leaking pipes that course all the way back to drill sites where massive methane plumes can be mapped from space. And: As I write this, my devastated neighbors have lost their homes.

What could be riskier than that? Joelle G. Novey, Silver Spring

The humanity in education

Contrary to what Dan Goldhaber, Thomas J. Kane, Andrew McEachin and Emily Morton wrote in their Nov. 17

Thursday Opinion eccay "Tutoring

the authority of the bishop

micha

No set of reforms will the church of the criminal ior of some priests. Howe tal changes in church lead the focus of Pope Francis i the Roman Catholic Chu mier teacher of Gospel tru Thomas H. Powell,

Migrants help our

Regarding the Nov. 1 coming needed workers"

Republicans blame I migrant "crisis" at our s Democrats fail to fix a Meanwhile, U.S. job vaca at all levels. Both politica to recognize the potentia immigration with jobs.

As their native popu Canada, France and Gerr to welcome migrants who skills or simply a strong welcoming migrants, po reduce labor shortages. T istration should do the sa

With a simpler and sh work permits, immigra themselves and also co economy.

L. Michael Hager,

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Regarding the Nov "Cryptonite":

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COMMENTARY

Commentary: Reflecting on holiday baking traditions and the push for an allelectric building standard

By **Guest Commentary** January 5, 2024



Rev. Mary Gaut has a holiday baking tradition that has been passed down through generations. Courtesy photo.

By Rev. Mary Gaut

The writer served for 20 years as the pastor of Maryland Presbyterian Church in Towson and is a 2014 GreenFaith Fellow.

Christmas isn't over, the song reminds us. There are 12 days in the season which ends with the feast of the Epiphany for those in the Christian tradition. But, really, for most of us things are beginning to return to whatever we define as normal these days and the sights, smells, and sounds are already fading into memory as we look ahead to a new year of promise and peril.

For those of us fortunate enough to have friends and family close by, the holiday season was marked by gatherings and the observance of the unique traditions that bind us together. My family has a cake recipe passed down through generations and the smell of that cake baking, with its rich spices, was a hallmark of family gatherings. The tree was in the living room, but the cake was in the kitchen so it's no wonder the kitchen was where we gathered. And it's important that those gatherings be safe as well as festive.

Through the years, as I became more aware of environmental hazards and the impact of our choices on the future of our planet, I also learned that some choices like gas-burning stoves in our homes can have more immediate consequences for those closest to us. Could the stove where that holiday cake was baking actually have exacerbated my daughter's asthma years ago? Turns out the nitrogen oxide, benzene, and methane that are all emitted from gas-burning ovens are not only bad for the environment in general but also for those who gathered in the kitchen as the cake was baking. Yikes. So, when I had to replace my stove, I reviewed the research and went electric.

Prior generations passed along traditions that become the glue that binds us together in families and communities. They also bequeathed to us homes and buildings that rely on fossil fuels to heat and cook, but also pollute our air and damage our climate. They didn't know the impact of those choices — but we do. As we make our individual choices such as moving to all-electric induction stoves for cooking and electric heat pumps for heating and cooling, it makes sense that going forward we act collectively and make sure that all new buildings adhere to an all-electric standard that is proven to be better, healthier, and more conducive to a stable climate and a sustainable future.

Last August, a dozen community groups gathered with elected officials in Reisterstown to advocate for an all-electric building code proposal for Baltimore County (as both Montgomery and Howard counties have already done). But here we are, entering the new year, and no bill has been brought forward. Isn't it time to get this done?

As a pastor I would preach about how the Christmas story was about ordinary people doing the best they could in trying circumstances to shelter and nurture a vulnerable and fragile hope. The story of the "wise men" (celebrated at Epiphany) is in part a story of choosing a new way forward. For the family and friends who will continue to gather in this new year and for the good of the climate on which all Creation depends, let's make 2024 the year we approve an all-electric building code for all new buildings in Baltimore County, gifting our children and grandchildren with a safer future through the choices we make now.



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Guest Commentary

Maryland Matters welcomes guest commentary submissions at editor@marylandmatters.org. We suggest a 750-word limit and reserve the right to edit or reject submissions. We do not accept columns that are endorsements of candidates or submissions from political candidates. Views of writers are their own.

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HB1279 - CASA Written Testimony.pdf Uploaded by: Jose Coronado Flores



Testimony in SUPPORT of HB1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electricand Solar–Ready Standards (Better Buildings Act of 2024) House - Economic Matters Jose Coronado-Flores . On Behalf of CASA

March 6th, 2024

Dear Honorable Chair Wilson and Members of the Committee,

CASA is pleased to offer **favorable testimony in support of HB1279**, because it is important legislation that will address **local pollution reduction and a guarantee that future affordable housing stock will be safe and emissionless.** In particular, CASA is invested in seeing this bill pass, because our members want a clean new affordable housing stock that will imminently develop across the state. A new transit system like the Purple Line will hopefully spur the development of new affordable housing in the vicinity. It is critical that these new multi-family housing communities come without on-site emission.

Following this example of development on the Purple Line, consider the neighborhood Quebec Terrace in Silver Spring, which will be right next to the anticipated Piney Branch stop. According to a mapping tool developed by the Washington Post, over 75% of the households in the two census tracts in this neighborhood use gas for heat and cooking. Combine this with the immense amount of daily traffic pollution from University Boulevard, Piney Branch, and New Hampshire, this neighborhood has one of the highest pollution exposure scores in the state without any active air-emission facilities nearby. This is due to the emissions generated by traffic and residential gas usage.

We cannot add more polluting buildings to this community or any other in the state. New electric buildings would not contribute to the local pollution burden. Our neighborhoods desperately need clean new buildings for families to live in and feel safe. For these reasons, CASA urges a favorable report.

Jose Coronado-Flores Research and Policy Analyst jcoronado@wearecasa.org, 240-393-7840

HB1279 - Better Buildings Act - Climate Parents of Uploaded by: Joseph Jakuta

Committee: Environment and Transportation Testimony on: HB 1279 - "Better Buildings Act Act" Organization: Climate Parents of Prince George's Person Submitting: Joseph Jakuta, Lead Volunteer Position: Favorable Hearing Date: March 6, 2024

Dear Mr. Chairman and Committee Members:



Thank you for considering our testimony to HB 1279, "Better Buildings Act." Climate Parents is a campaign to reduce climate change-causing pollution in our schools, and our group is active in Prince George's County. In particular, we recently worked directly with Prince George's County Public Schools (PGCPS) technical staff and other advocates to develop a first in the national School Climate Change Action Plan.

The Better Buildings Act is a particularly important piece of legislation that is necessary to mitigate climate emissions, lower, total cost of ownership for new buildings, and improve indoor air quality. It does this by requiring all new buildings, with a few important exemptions, to meet all water and space heating spaces without using fossil fuels and by phasing in stricter energy use standards until, eventually, new buildings are required to be net-zero by 2035. It will also ensure that buildings will be prepared for the growing number of electric vehicles on the market by requiring a certain number of spaces to include EV charging or be EV-ready. It also requires new buildings to be solar-ready.

While there are many types of buildings covered through this regulation, our testimony focuses on why this is a common-sense piece of legislation for new schools.

Right here in Prince George's County, PGCPS has been building new schools both through conventional and the Alternative Construction Financing (ACF) model. PGCPS and the private companies that are building through the ACF program are finding that ground-source heat pumps make the most financial sense. In fact, now fifteen schools in Prince George's County have geothermal heat pump systems rather than fossil-fuel systems.

One of the main reasons that this is the economical choice is that any building built in October 2025 that is built with gas, water and space heating will need to completely retrofit within twenty years. There is no scenario for the construction of any of the applicable buildings that would make financial sense if the heating system is only given a twenty-year operating time horizon and a completely new heating system needs to be installed. We can see the evidence for that in Prince George's since one of the requirements of the ACF program is that at the end of the period, the schools be retrofitted to the building standards at the time of turnover, and the private partners know they do not want to finance a complete heating system retrofit at that time.

There is other evidence economically of the benefits of modern fossil fuel free HVAC systems being used in schools. According to RMI and Undaunted K12's "<u>HVAC Choices for Student Health and Learning</u>," due to funding from the Inflation Reduction Act, the Investment Tax Credit alone reduces the upfront cost by 30% of ground source heat pumps, making them the least expensive option for new buildings. They also reviewed an analysis completed by Fairfax County Schools that found a 50% reduction in operating and maintenance costs, which can make a real impact on school operating budgets.

The requirements in SB 1023 also align with the <u>Climate Change Action Plan</u> adopted unanimously by the Prince George's Board of Education, which recommends:

- "All new buildings will be designed to be solar ready, and when grant funds are available or deemed cost-effective, have solar installed. (M2.Buildings.B)"
- "Beginning in 2024, eliminate consideration of HVAC and water heating systems powered by fossil fuels in new buildings. (M4.Buildings.E.d)"
- "Ensure all new buildings are, at a minimum, ready for light-duty EV charging, and preferably include 2 Level 2 EV chargers and 5 Level 1 EV chargers. (M5.Transportation.C)"

When it comes to Maryland's schools and other taxpayer-funded buildings, it is clear that HB 1279 is the correct path for responsible stewardship of our precious tax dollars. We also, as a state, should not place the financial burden of premature whole-building retrofits on future homeowners and businesses. HB 1279 does right by the taxpayer and future owners of new buildings.

We encourage a **FAVORABLE** report for this important legislation.

HB1279 The Better Buildings Act testimony from Cli Uploaded by: Karl Held



Date:	March 4, 2024
Topic:	Testimony for Better Buildings Act, HB1279
From:	Kevin Walton, Climate Coalition of Montgomery County
То:	Environment and Transportation Committee

Dear Chair Korman and Committee,

My name is Kevin Walton and I live in Montgomery County. I am representing the Climate Coalition of Montgomery County and the undersigned climate and environment focused member organizations. My experience with building energy performance and electrification issues includes serving as the Chair of Montgomery County Building Energy Performance Board, which advises on implementation of the county's Building Energy Performance Standards law, and I was co-Chair of the Market Rate Housing Subgroup of the Maryland Building Energy Performance Task Force.

The Climate Coalition of Montgomery County urges you to vote favorably for HB1279, the Better Buildings Act.

This act, which includes requiring electrification of space and water heating, aligns with the 2045 zero greenhouse gas emissions target in the Climate Solutions Now Act. It also aligns with the Maryland Building Energy Performance Standards targets of net zero greenhouse gas emissions by 2040. Addressing buildings is critical, as they account for 16% of the state's greenhouse gas emissions.

Similar actions have taken place in Montgomery County, where buildings account for almost 50% of greenhouse gas emissions. Montgomery County issued a Climate Action Plan with a goal of zero greenhouse gas emissions in the county by 2035. Many aspects of the state's laws and bills that are designed to address building emissions and energy efficiency have been enacted or are in process at our county's level, as these are the most effective tools we have to address greenhouse gas emissions by buildings.

In 2022, the Montgomery County Council unanimously passed a new building electrification law, which parallels the Better Building Act. This law requires the county to publish all-electric building standards for new buildings by the end of 2026. The new standards require systems, such as space and water heating, to use electricity rather than fossil fuels in new construction. By requiring only electric equipment, we avoid locking in greenhouse gas emissions for their 10 to 25-year usable life span, or alternatively, the building owner will not be hit with an added expense imposed by the early replacement of the equipment to meet the target of zero greenhouse gas emissions.

In conclusion, the Better Buildings Act is forward thinking by addressing now the goals set over the next two decades for the state and its residents by the Climate Solutions Now Act. Therefore, the Climate Coalition of Montgomery County urges a favorable report for HB1279.

Thank you for your time and attention.

Kevin Walton On behalf of the following Climate Coalition Member Organizations

350 Montgomery County ACQ Climate (Ask the Climate Question) Elders Climate Action Environmental Justice Ministry Cedar Lane Unitarian Universalist Church Friends of Sligo Creek Green Sanctuary Committee of the Unitarian-Universalist Church of Silver Spring Montgomery Countryside Alliance Montgomery County Faith Alliance for Climate Solutions Poolesville Green Safe Healthy Playing Fields Sugarloaf Citizens' Association Transit Alternatives to Mid-County Highway Extended/M-83 (TAME) The Climate Mobilization Montgomery County

Takoma Park Mobilization Environment Committee (TPMEC)

Better Building Act 2024.pdf Uploaded by: Kathleen Bartolomeo

Environment and Transportation		
Testimony on:	HB1279 - The Better Buildings Act of 2024	
Organization:	Maryland Legislative Coalition Climate Justice Wing	
Position:	Favorable	
Hearing Date:	March 6, 2024	

Dear Legislators,

As a Unitarian Universalist, I am very aware of our world's plight with climate issues. I want to do all I can to make this a living planet for my grandchildren. Even now, their lives will be heavily impacted by our heat, our severe weather changes, unclean air, flooding, and unsafe water.

I see the Better Buildings Act as providing some relief to those that will face hardships ahead. With ability to finance a heat pump, and making sure building codes will have the latest efficiency codes makes better health outcomes and saves people money.

As a child growing up in a small home with a gas stoves, my two sisters and I developed asthma which made more visits to the doctors and more trips to buy medicines and still today we take medicine to address our asthma. So having home built without gas stoves makes for a better life.

After adding heat pumps to my small unit in Greenbelt, I have seen a big reduction in cost for heating and cooling my home. Yes, there was some expense for the change, but overall, it has saved me much and will help the next person who acquires my home after I leave. The BBB Act will make heat pumps more affordable with the benefit of reducing harmful air pollutants.

I hope that you support the Better Buildings Act.

Sincerely, Kathy Bartolomeo

Greenbelt

Mobilize Frederick Testimony HB1279.pdf Uploaded by: Kathy Kinsey Position: FAV



March 4, 2024

Committee: Environment and Transportation Testimony on: HB 1279 – The Better Buildings Act Organization: Mobilize Frederick Submitting: Karen Cannon, Executive Director Position: Favorable Hearing Date: March 6, 2024

Dear Chair and Committee Members:

Thank you for the opportunity to comment on House Bill 1279 – The Better Buildings Act. Mobilize Frederick urges the Committee to issue a **favorable** report on this important climate bill.

Frederick County and the City of Frederick have adopted the 40 recommendations provided in the Climate Response and Resilience Report prepared by the City and County chartered Climate Emergency Mobilization workgroup to reduce carbon pollution and improve climate resilience. Both the City and the County are actively engaged in reducing the carbon footprint of our community to reach Maryland's objective to achieve a 60 percent reduction in greenhouse gasses by 2031 and a 100 percent reduction by 2045. Passage of the Better Buildings Act will provide necessary tools to help reach those goals.

Mobilize Frederick is a non-profit organization of Frederick City and County residents formed to assist with implementation of the Climate Response and Resilience Report recommendations. We fully support Section B of the bill, requiring the Department of Labor's Building Codes Administration to modify the Maryland Building Performance Standards to require, as of October 1, 2026, that all new buildings:

- Meet their water and space heating demands without use of fossil fuels;
- Over 20 stories and those with 20,000 square feet or more of continuous roof space be solar-ready;
- Be EV-Capable, EV-Ready, or have EV charging spaces if parking is provided; and
- Follow more stringent regional regulations as necessary.

In addition, we support the bill's suggested waivers and the requirement that buildings granted waivers must seek to minimize emissions; maximize health, safety, and fire protection; and be electric-ready.

We fully support Section C, requiring the Department of Labor's Building Codes Administration to modify the Maryland Building Performance Standards to require new buildings over 25,000 square feet to meet, on average, "Site Energy Use Intensity" (EUI) targets.

The Better Buildings Act will result in the reduction of carbon emissions, improve air quality, and substantially lower utility costs for homeowners, renters, and tenants. For all these reasons, we urge the Committee to issue a **favorable** report on HB 1279.

Karen Cannon Executive Director

cc: Kathy Kinsey Chair, Government Affairs and Policy Committee

HB 1279 - Better Buildings Act of 2024.pdf Uploaded by: Ken Phelps Jr



Testimony in Support of HB 1279

Better Buildings Act of 2024

FAVORABLE

TO: Hon. Marc Korman, Chair; Hon. Regina T. Boyce, Vice Chair; and the members of the House Environment and Transportation Committee

FROM: Rev. Ken Phelps, Jr., Director, Maryland Episcopal Public Policy Network, Diocese of Maryland

DATE: March 4, 2024

The season of Lent calls the Church at this time to confess "our self-indulgent appetites and ways," "our waste and pollution of God's creation," and "our lack of concern for those who come after us" (Ash Wednesday Liturgy, Book of Common Prayer, p. 268).

Lent is also the season of the prophets.

Prophecy is a critical response to the excesses of society. It is marked by its fierce commitment to humanity and speaks to the perception of potentialities and possibilities - both for good and evil - within the social structure. Prophets hold up the mirror of existence and force us to take a look, a hard, honest look at whom we really are and the conditions that we have created

The mirror never lies. The prophets were God's inconvenient messengers. And when the activity of the people, or lack thereof - had moved the society to a tipping point, the prophets came with a warning about the wrath to come. Not the wrath of God, but the inescapable and often catastrophic consequences that were the product of their own doing. The warnings were dire, but they still carried with them the fleeting hope that if behaviors changed, disaster might be avoided.

Our collective histories reflect how often we have taken prophets' messages to heart. Our mother is dying. Her prophets - speaking for decades now - have made that quite clear.



The mirror never lies. Each of the last ten years has ranked among the globally hottest ten years ever recorded. Compared to the magnitude of the climate crisis that humans face, HB 1279 is a very modest policy bill even though this is not a time for incremental steps.

Maryland has statutorily committed to reaching net zero carbon pollution by 2045 – just 21 years from now. The Governor has recently advanced a comprehensive plan to make those required reductions with a necessary but large price tag. Why then allow new buildings to burn fossil fuels that directly spew carbon pollution into the air beyond the statutory net zero date. Why then allow buildings to waste electric energy that must be generated for the foreseeable future with at least some percentage of carbon-emitting fuels.

HB 1279 addresses both of those areas. After a reasonable transition period, the bill would disallow direct burning of fossil fuels for heat and hot water energy in most new buildings. It would also speed up the international model energy codes process to make new buildings more energy efficient, giving Maryland a better shot at reaching its 2045 targets. Passing the Better Buildings Act would entail little or no cost additional to the state.

Much of the text of HB 1279 is similar to the Climate Solutions Now Act as originally introduced in 2021 and passed in 2022. But the 2022 Climate Solutions Now Act's requirement that "new buildings meet all water and space heating demand without the use of fossil fuel" was dropped out of the bill in favor of a grid capacity study, which has shown that Maryland's utilities have plenty of capacity to accommodate new building electrification. HB 1279 would restore the language dropped out of the Climate Solutions Now Act in 2022 and add reasonable energy conservation, EV charging readiness, and solar readiness provisions that would move us more rapidly towards a 100% clean energy future.

Requiring new buildings to be largely fossil free has corollary benefits for Marylanders as well, in at least three ways:

- Avoiding fossil fuel heat and hot water appliances that vent to the outside would reduce outdoor air pollution, which is a serious health problem in densely populated areas and has significant environmental justice implications.
- New homes and buildings that avoid fossil fuel lines and appliances for cooking, while not required by the bill, would be much better indoor environments for the respiratory health of children and adults.
- Owners and tenants in new homes and buildings that avoid the enormous cost increases projected for the delivery of methane gas would enjoy significant savings on their ongoing fuel bills.



We are grateful that the General Assembly has set high statutory climate goals and has required public and private plans to meet them. With a handful of other states and DC, Maryland stands out as a model and inspiration for other states and localities. There is no policy that makes more sense to achieve Maryland's climate goals while providing significant public health and economic benefits to consumers than electrifying and conserving energy in new construction.

We have an opportunity here. This is the appointed time for all God's children to work together for the common goal of renewing the earth as a hospitable abode for the flourishing of all life, not just human.

Our mother is dying. There may still be time to save her, but we must act swiftly and definitively to accomplish that goal.

We urge a favorable report.



The Maryland Episcopal Public Policy Network

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HB1279_Better Buildings Act_Environ Transp_CJW FAV Uploaded by: Laurie McGilvray



Committee:	Environment and Transportation
Testimony on:	HB1279 The Better Buildings Act of 2024
Organization:	Maryland Legislative Coalition Climate Justice Wing
Submitting:	Monica O'Connor, Co-Chair
Position:	Favorable
Hearing Date:	March 6, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB1279, The Better Buildings Act of 2024. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of nearly 30 grassroots and professional organizations, urges you to vote favorably on HB1279.

The Better Buildings Act does just what its name implies – it requires most new buildings to be built smart from the start, with better energy conservation and no on-site fossil fuel combustion for space and water heating. It has two substantive divisions: a section requiring electrification, EV-readiness, and solar readiness; and a section requiring substantial energy conservation in new buildings over 25,000 square feet, towards the goal of only renewable energy use.

HB1279 implements a simple vision of how we want our public and private buildings to be in the future – less expensive to operate, and much better for the climate crisis we face. It is a common sense bill that ensures that new construction utilizes highly efficient, cost effective electric appliances that are better for our health, our wallets and the climate.

By law, Maryland has just 21 years to reach net zero carbon pollution emissions as mandated in the Climate Solutions Now Act of 2022. Because buildings account for 13% of the state's polluting carbon emissions¹, it is impossible to meet these targets if we continue to utilize fossil fuels for space and water heating. Today's heat pumps are three to four times² more efficient than fossil fuel heating equipment, and remain two to three times more efficient even in winter weather. According to a report by the BDC³, the average heat pump sold uses as much as 29% less electricity during periods of peak demand than a central AC unit. Maryland Energy Administration states, "heat pumps are an essential tool to lowering monthly energy bills and keeping electricity demand low year-round." Tax credits and rebates made available by the Inflation Reduction Act have made efficient electric appliances more affordable for Marylanders in every income bracket. Across Maryland, 98% of households using high-efficiency electric appliances in place of fossil fuel heating

¹https://mde.maryland.gov/programs/Air/ClimateChange/MCCC/Documents/MWG_Buildings%20Ad%20Hoc%2 OGroup/E3%20Maryland%20Building%20Decarbonization%20Study%20-%20Final%20Report.pdf

² https://www.rewiringamerica.org/circuit-breakers-heat-pumps#3

³ https://buildingdecarb.org/resource/report-why-cooling-is-key

equipment can save money on their monthly energy bills. The median low-income household in Maryland would save \$373 per year by replacing a gas furnace with an all-electric heat pump.⁴

The net effect of passing the Better Buildings Act would be to reduce carbon pollution emissions both directly (through onsite combustion) and indirectly (through electric generation), improve air quality, and substantially lower utility costs for homeowners and renters. To strengthen the bill, the Climate Justice Wing urges the committee to consider the prohibition of any fossil fuel appliances in the home, including gas stoves which have been shown to have significant negative health impacts.⁵

As Maryland transitions to a cleaner energy future, buildings using efficient electric heat pumps and heat pump water heaters will be cleaner, greener and less costly than those using methane gas or oil. Mandating that new construction be smart from the start is a common sense first step to reducing emissions from buildings. Therefore, we recommend a **FAVORABLE** report for HB1279 in committee.

350MoCo

Adat Shalom Climate Action Cedar Lane Unitarian Universalist Church Environmental Justice Ministry Chesapeake Earth Holders Chesapeake Physicians for Social Responsibility Climate Parents of Prince George's **Climate Reality Project** ClimateXChange - Rebuild Maryland Coalition Coming Clean Network, Union of Concerned Scientists DoTheMostGood Montgomery County Echotopia **Elders Climate Action** Fix Maryland Rail Glen Echo Heights Mobilization Greenbelt Climate Action Network HoCoClimateAction IndivisibleHoCoMD Maryland Legislative Coalition Mobilize Frederick Montgomery County Faith Alliance for Climate Solutions Montgomery Countryside Alliance Mountain Maryland Movement Nuclear Information & Resource Service **Progressive Maryland** Safe & Healthy Playing Fields Takoma Park Mobilization Environment Committee The Climate Mobilization MoCo Chapter Unitarian Universalist Legislative Ministry of Maryland WISE

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https://mde.maryland.gov/programs/air/ClimateChange/BETITF%20Meeting%20Materials/Understanding%20R esidential%20Electrification%20Costs%20and%20Benefits_ReWire%20presentation%207.27.23.pdf ⁵ https://news.stanford.edu/2022/01/27/rethinking-cooking-gas/

Better Buildings Act testimony ECA House.pdf Uploaded by: Leslie Wharton



Committee:	Environment and Transportation
Testimony on	HB 1279, Better Buildings Act
Organization:	Elders Climate Action Maryland
Submitting:	Leslie Wharton, Chapter Leader
Position:	Favorable
Hearing Date:	March 6, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB 1279. Elders Climate Action Maryland is our state chapter of <u>Elders Climate Action</u>, a nationwide movement of elders striving for a future where our children, grandchildren, future generations, and all life can thrive. We urge you to vote favorably on HB 1279.

Climate change is one of the greatest threats to our public health. The health effects include more vector-borne diseases, more heat-related illnesses such as heat stroke, injuries from wildfires and extreme weather events such as hurricanes and floods, and mental health problems. These issues threaten the lives and health of all Maryland residents, particularly children and the elderly.

One thing that is less often recognized is the close tie between air pollution and greenhouse gas emissions. 88% of Maryland residents live in areas that do not meet EPA air quality standards. Air pollution is a major contributor to absences from work and school, increased healthcare costs, and premature deaths. This can be seen clearly in the high rates of hospitalization for asthma in Maryland, especially in Baltimore. Research shows that decreases in air pollution lead to significant and rapid decreases in asthma hospitalizations. Improvements in health, especially in children and people living in overburdened communities, will be the first benefit we see from decreasing the use of fossil fuels.

The Climate Solutions Now Act of 2022 set the ambitious carbon pollution reduction goals of any state in the country. We must meet those goals. As the <u>Maryland Commission on Climate Change</u> said in their 2023 report, "The climate crisis is upon us. Within just five years, global temperatures could breach the critical 1.5°C threshold, triggering catastrophic and irreversible consequences. This long-feared catastrophe is imminent - the time for meaningful climate action is now."

Buildings account for <u>13% of the state's polluting carbon emissions</u>. It is impossible to meet our essential goals if we continue to utilize fossil fuels for space and water heating.

The Better Buildings Act does just what its name implies – it requires most new buildings to be built smart from the start, with better energy conservation and no onsite fossil fuel combustion for space and water heating. It requires electrification, EV-readiness, solar readiness, and high levels of energy efficiency in new buildings over 25,000 square feet.

SB1023 implements a simple vision of how we want our public and private buildings to be in the future – less expensive to operate and much better for the climate crisis we face. It is a common-sense bill that ensures that new construction utilizes highly efficient, cost-effective electric appliances that are better for our health, our wallets, and the climate.

Today's heat pumps are three to four times <u>more efficient</u> than fossil fuel heating equipment and remain two to three times more efficient even in winter weather. According to a report by the Building Decarbonization Coalition (BDC), the average heat pump sold uses as much as <u>29% less electricity</u> during periods of peak demand than a central AC unit. The Maryland Energy Administration states, "Heat pumps are an essential tool to lowering monthly energy bills and keeping electricity demand low yearround."

Tax credits and rebates made available by the Inflation Reduction Act have made efficient electric appliances more affordable for Marylanders in every income bracket. Across Maryland, 98% of households using high-efficiency electric appliances instead of fossil fuel heating equipment can save money on their monthly energy bills. The median low-income household in Maryland would <u>save \$373</u> per year by replacing a gas furnace with an all-electric heat pump.

The net effect of passing the Better Buildings Act would be to reduce carbon pollution emissions both directly (through onsite combustion) and indirectly (through electric generation), improve air quality, and substantially lower utility costs for homeowners and renters. To strengthen the bill, we urge the committee to consider the prohibition of any fossil fuel appliances in the home, including gas stoves, which have been shown to have significant <u>adverse health impacts</u>, including a higher risk of asthma In children. As many of our members will attest, cooking on an induction stove gives great results. Induction cooktops are also <u>increasingly common in commercial kitchens</u>, such as at Jose Andres' Minibar, a Michelin two-star restaurant in DC.

As Maryland transitions to a cleaner energy future, buildings using efficient electric heat pumps and heat pump water heaters will be cleaner, greener, and <u>less costly to build and operate</u> than those using methane gas or oil. All-electric buildings are simpler to construct, and that simplicity leads to cost savings. <u>Gas piping increases the cost</u> to build a typical single-family home in Maryland by \$2,580.

Mandating that new construction be smart from the start is a common-sense first step to reducing emissions from buildings.

As Jonathan Foley, director of <u>Project Drawdown</u>, said in a <u>recent interview</u>, a one-year delay in the implementation of a climate solution decreases its value by about 7%. The time to act is now. We strongly recommend a FAVORABLE report for HB 1279 in committee.

HB 1279 - MoCo_Elrich_FAV (GA 24).pdf Uploaded by: Marc Elrich



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich County Executive

March 6, 2024

TO:	The Honorable Marc Korman Chair, Environment and Transportation Committee
FROM:	Marc Elrich County Executive
RE:	House Bill 1279, Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024) Support

I am writing to express my support for House Bill 1279, *Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024).* Solving the climate crisis requires us to shift to clean and renewable energy sources, and to convert many of our buildings and vehicles to run on that green electricity. All of us have roles to play and opportunities to benefit from this transition, and no one should be left behind.

This bill would require new buildings to meet their space and water heating needs through efficient electric equipment without the combustion of fossil fuels. It would also ensure that new buildings are energy efficient and ready for solar panels and electric vehicles. This is the right way to build new buildings, and all of these measures are cost-effective in new construction.

We have already passed a similar law in Montgomery County in order to advance our climate action goals and would welcome a standardized statewide approach. The requirements to meet space and water heating needs without the use of combustion equipment are especially important.

I respectfully request that the Environment and Transportation Committee give this bill a favorable report.

cc: Members of the Environment and Transportation Committee

HB1279_MDSierraClub_fav 6March2024.pdf Uploaded by: Mariah Shriner



Committee: Environment and Transportation

Testimony on: HB 1279 "Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)"

Position: Support

Hearing Date: March 4, 2024

The Maryland Chapter of the Sierra Club urges a favorable report for HB 1279, the Better Buildings Act of 2024 (BBA). HB 1279 would make a significant contribution to achieving Maryland's 2045 climate goals of net zero emissions. This bill requires that, beginning in October 2026, all newly constructed buildings meet all of their heating and hot water demands without burning fossil fuels. There would be partial waivers, granted by local jurisdictions, for backup power in all buildings as well as full exceptions for commercial food establishments, laboratories, laundromats, hospitals, and crematoriums. If the building has parking it would need to be provide or be ready to electric vehicle (EV) charging. Buildings with over 20,000 square feet of roof area would, in most circumstances, need to be solar ready unless granted a waiver by local jurisdictions. New buildings over 25,000 square feet would also need to be highly energy efficient, with efficiency standards increasing over time. Local jurisdictions could adopt more stringent regulations. The Sierra Club strongly supports building electrification as a key way to meet our climate goals and urges a favorable report.

Nothing in the bill would require existing buildings to replace their fossil fuel burning furnace or water heater. Restaurants could continue to burn gas.

Additional Opportunities to Strengthen the Bill

As currently written, the BBA applies only to hot water and heating appliances. We would support an amendment to apply the BBA to all fossil fuel energy use in new buildings, including cooking and laundry equipment. We also suggest that the legislation apply not only to new buildings but also to buildings with significant improvements.¹

Building Electrification is Essential for Meeting Maryland's Climate Goals

Fuel burned in buildings accounts for approximately 16% of greenhouse gas (GHG) emissions in Maryland. The electricity used in buildings accounts for an additional contribution to GHG pollution; however, this will decline over time as Maryland's energy production becomes increasingly renewable-based. As Maryland works to achieve its climate goals to reduce GHG emissions by 60% (from 2006 levels) by 2031 and reach net-zero by 2045, the BBA will play a crucial role in meeting those targets.

¹ Significant improvement is defined in the bill to mean "any repair, reconstruction, rehabilitation, alteration, addition, or other improvement of a building or structure, the cost of which equals or exceeds 50% of the replacement cost of the structure before the improvement or repair is started."

Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.

Maryland has already demonstrated significant interest in reducing GHG emissions in the buildings sector through building electrification. In its Climate Pollution Reduction Plan, released last December, the Maryland Department of the Environment called for a "zero-emission construction standard, to be implemented in 2027," which would "[cover] all new residential and commercial buildings, increasing electrification of the building sector." The legislature now has the opportunity with the BBA to establish a pathway to building electrification by eliminating fossil fuel consumption for heat and hot water in new buildings.

Building electrification of new homes, as mandated through the BBA, would have significant public health benefits. Currently close to half of homes in Maryland burn natural gas. Indoor gas leaks can increase levels of nitrous oxides, benzene, and particulates inside buildings, all of which generate health risk. The health risks from burning gas are most severe for underserved and overburdened communities. Inside our homes, gas leaks increase the likelihood that children will develop asthma. One study showed that children in homes with gas stoves have a 42% higher risk of asthma. Benzene is a known carcinogen.

Requiring proactive building electrification for new construction also makes economic sense. In the absence of BBA, new buildings built between 2026 and 2045 would continue to rely on fossil fuel infrastructure.² For Maryland to reach its statutorily-required climate goals, these buildings would then need to be retrofitted with new electric appliances before the fossil fuel burning appliances reach the end of their lives, at significant expense. The BBA provides us with a roadmap for how to avoid these additional retrofit expenses. Research shows that new buildings can be constructed without burning fossil fuels at roughly the same cost (+0%-2\%) as buildings that use fossil fuels.³

The BBA Act Would Facilitate EV and Solar Deployment

HB 1279 would also support Maryland in achieving its transportation and clean energy climate goals through the provisions on EV charging and solar-ready roofs. As Maryland has adopted a mandate for 100% of light duty vehicle sales to be EVs by 2035, the EV charger-related requirements will help Maryland achieve its goals for EV deployment. The BBA's provisions that certain larger new buildings would need to be solar ready⁴ will support additional solar deployment in line with Maryland's statutory target of achieving 14.5% of the state's electricity consumption from solar generation by 2030 and Governor Moore's commitment to achieving 100% clean energy by 2035.

The BBA Will Reduce Pressure on the Electric Grid and Reduce Energy Bills

Maryland must also pursue increasing energy efficiency, in addition to building electrification, to reach its climate goals. The bill calls for increasing energy efficiency standards over time for

² New residences add 0.7% to total Maryland residences each year. Between 2026 and 2045, newly constructed homes would likely account for almost 11-15% of Maryland's homes.

³ An Assessment of Electrification Impacts on the Maryland Electric Grid, Brattle Group, December 29, 2023, page 3, https://www.psc.state.md.us/wp-content/uploads/MD-PSC-Electrification-Study-Report.pdf

⁴ The solar-ready roof provisions would apply to larger new buildings with at least 20,000 feet of roof space, a height of less than 20 stories, and appropriate roof angle to receive solar.

new buildings of greater than 25,000 square feet. Buildings over 25,000 square feet permitted on or after October 1, 2026 would have lower energy bills than residences burning fossil fuels. New residential buildings permitted in 2032 would need to be twice as efficient as buildings permitted in 2026. This will reduce the load on the electric grid and reduce residential energy bills.

In summary, HB 1279, the BBA, will contribute to achieving Maryland's climate goals by:

- 1) Reducing GHG emissions in new buildings through building electrification;
- 2) Ensuring that owners of new buildings would not need to replace fossil fuel burning equipment before the end of its life to meet the state's climate goals;
- 3) Facilitating the deployment of EVs by providing charging capabilities;
- 4) Helping Maryland reduce the climate impact of its electric system by enabling the deployment of additional solar; and
- 5) Increasing energy efficiency over time in new buildings over 25,000 square feet.

The Sierra Club Maryland urges approval of this legislation.

Christopher T. Stix	Mariah L. Shriner	Josh Tulkin
Clean Energy Legislative Team	Climate Campaign Representative	Chapter Director
Stixchris@gmail.com	Mariah.Shriner@MDSierra.org	Josh.Tulkin@MDSierra.org

BDC MD House Bill 1279 Testimony.docx.pdf Uploaded by: Matt Rusteika



H.B. 1279

Evaluating All-Electric New Construction from an Energy System Standpoint

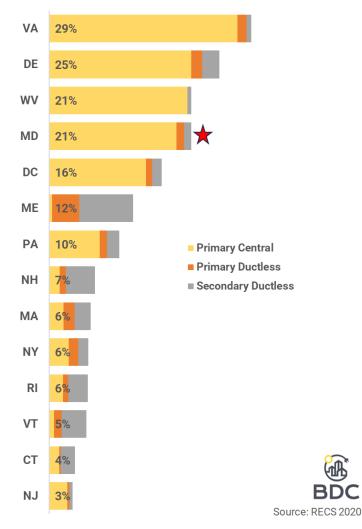
Good [morning/afternoon], and thank you so much for the opportunity to speak today. My name is Matt Rusteika. I'm Director of Market Transformation at the Building Decarbonization Coalition (BDC). Our members run the gamut from small towns to major multinational corporations.

The Coalition's manufacturing members together produce about 75% of all HVAC products sold in the U.S. and 90% of water heaters.

Recently, we released a pro-decarbonization statement from these members—the first of its kind. The statement reads, in part:

> "Installing heat pumps in new construction is generally easier than doing so in an existing building. Encouraging or requiring all-electric new construction can help to cost-effectively grow the marketplace for efficient electric space heating and water heating products in the immediate term."

There's a reason why the supply chain is comfortable with electrification in new construction, especially in Maryland. According to the best available data, more than one in every five Maryland homes already has a heat pump installed,¹ and fully half of all residential HVAC products sold in the state is a heat pump.²



Share of Homes with a Heat Pump Northeast and Mid-Atlantic: 2020

There is a large and growing marketplace for efficient electric energy systems in Maryland, and there has been since well before the Inflation Reduction Act. Product availability is not an issue.

buildingdecarb.org

¹ Energy Information Administration (EIA) Residential Energy Consumption Survey (RECS). 2020.

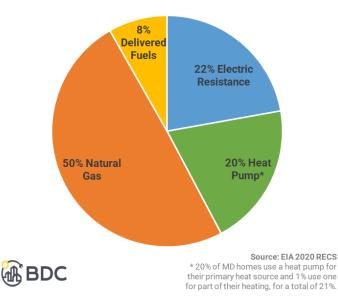
² Heating, Air Conditioning, and Refrigeration Distributors International (HARDI). Unitary Market Report. 2021.

On the contrary, all-electric new construction is an infrastructure question. But maybe not in the way you would expect.

BDC's research has shown that new natural gas mains can cost anywhere from \$2-5 million per mile. That means that on any given Maryland street, a new or replacement gas pipeline could cost ratepayers up to \$70,000 per meter.³

Normally, that cost would be amortized over several decades. But Maryland law requires net zero emissions by 2045. Why spend all that money building energy infrastructure that will be obsolete in 20 years, and in the meantime doesn't even give you air conditioning?

And so you might ask whether electrification will strain the electric grid. The truth is that it's going to be easier on the grid in Maryland than it will be in some other states.



Primary Heating Fuel in Maryland Homes

NESCAUM, a consortium of air quality agencies in the Northeast, released a report in August of 2023⁴ which showed that rolling out heat pumps to every home in Maryland would save nearly 7 million megawatt-hours of electricity annually, which is 25% of all the electricity used in the state's residential sector.

How could that be?

It's because 22% of Maryland homes use the outdated kind of electric heat—baseboard or space heaters. Heat pumps use a third of the electricity that those systems use. Far from straining the grid, you can expect heat pumps to reduce costs and improve resilience in Maryland.

Thanks for the opportunity to speak today. If you have questions, you can find me at matt@buildingdecarb.org.

⁴ "Residential Building Electrification in the Northeast and Mid-Atlantic." Northeast States for Coordinated Air Use Management (NESCAUM). August 2023.

https://www.nescaum.org/documents/Residential-Building-Electrification-Final-Report-August-2023.pdf

buildingdecarb.org

³ Pipeline and Hazardous Materials Safety Administration (PHMSA). Gas Distribution Annual Data, 2022. <u>https://www.phmsa.dot.gov/data-and-statistics/pipeline/gas-distribution-gas-gathering-gas-transmission-hazardous-li</u> <u>guids</u>

Copy of BBB House testimony Marcch 4, 2024.pdf Uploaded by: Michael Wilcove



March 4, 2024HEARING DATE: March 6, 2024BILL:HB1279 (Companion bill: SB1023)TITLE:Maryland Building Performance Standards – Fossil Fuel Use, Energy
Conservation, and Electric– and Solar–Ready Standards (Better Buildings
Act of 2024)POSITION:FavorableCOMMITTEE:Environment and Transportation CommitteeSPONSORS:Delegates Boafo, Charkoudian, Foley, Guzzone, Hill, Kaiser, Ruth, Stein,
Terrasa, and Wu

Hello Chairman Korman, Vice Chairwoman Boyce, and Members of the Committee,

My name is Michael N. Wilcove. I live in District 16 in Rockville Maryland, and I am honored to be representing the Maryland Chapters of Citizens' Climate Lobby. Citizens' Climate Lobby is a national, nonpartisan, volunteer driven climate advocacy organization. In Maryland our Chapters consist of over 3000 residents from across the State.

Our Maryland Chapters support HB1279, the Better Buildings Act of 2024.

Our volunteers passionately advocate for solutions to the climate challenges we currently face. Our global dependency on burning fossil fuels is harming not only the climate, but our health, economy, and security.

The Better Buildings Act of 2024 is part of the solutions we need. It directs that the Department of Labor's Building Codes Administration modify the Maryland Building Performance Standards to require, as of October 1, 2026, that new buildings meet their water and space heating demands without the use of fossil fuels.¹ Local jurisdictions may grant waivers for emergency backup systems. The Act also recognizes that specified businesses might utilize areas or systems that cannot feasibly use non-fossil fuels.² Jurisdictions may grant waivers, as well.

Beyond addressing water and space heating, the Act requires that new buildings, 20 stories or less with at least 20,000 square feet of continuous roof space, be solar ready. (Waivers could be granted by local jurisdictions for poor sun conditions.). New buildings must also be "EV ready" or "EV capable", *i.e.*, provide space and charging capabilities for electric vehicles. The specific requirements for electric vehicles vary by building type.

Finally, the Act sets out increasing "Site Energy Use Intensity (EUI)" targets, which new buildings over 25,000 square feet must meet. The targets commence October 2026. Between that date and September 2035, the

¹ It does **not** preclude gas stoves or restrict their installation.

² The Act identifies these businesses as commercial food establishments, laboratories, laundromats, hospitals, or crematoria. Financial considerations are explicitly not sufficient for a determination of feasibility.

targets increase every three years. The goal is net zero energy balance for building permit applications received

Decreased greenhouse gas emissions will improve our climate, environment, property, and health. With better building energy conservation and the use of highly efficient heat pumps, consumers would pay far less for heat and hot water than they do now. The Governor's Climate Pollution Reduction Plan estimates that the average Maryland family would save \$2,600 each year by adopting heat pumps. This is particularly important for lower-income households, which are often overburdened both by housing costs and energy costs

Maryland residents want effective and fair climate policies. The policies put forth by the Better Buildings Act help ensure we build things with emissions in mind moving forward. The Maryland Chapters of Citizens Climate Lobby urge a FAVORABLE REPORT on HB1279.

Respectfully submitted,

Michael N. Wilcove Leader, State Action Team, Citizens' Climate Lobby (Maryland) 301-785-5793 mnwilcove@gmail.com cc: Members of the Environment and Transportation Committee

HB1279_IndivisibleHoCo_FAV_Peter Alexander.pdf Uploaded by: Peter Alexander



HB1279

Maryland Building Performance Standards - Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024) Testimony before the Environment and Transportation Committee Hearing March 06, 2024 Position: Favorable

Dear Chair Korman and Vice-Chair Boyce, and members of the committee, my name is Peter Alexander, and I represent the 700+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are providing written testimony today <u>in support of HB1279</u>. We appreciate the leadership of Delegate Boafo and his many colleagues in sponsoring this legislation.

HB1279 requires the state Building Codes Administration to adopt codes requiring that all new buildings, additions that increase heat loads by 30% or more, and other significant improvements meet all energy demands of the building without the use of fossil fuels. Local jurisdictions could grant certain, limited waivers but only in buildings that cannot feasibly use non-fossil sources. Any buildings granted waivers would have to be built electric-ready and must include automatic ventilation to maintain healthful indoor air quality.

The BBA also requires the Maryland Building Codes Administration to adopt new energy conservation requirements for all new buildings. Buildings would be required to meet absolute measures of "site energy use intensity" as defined by the US Department of Energy, thus reducing the amount of electricity needed from the grid.

Enacting HB1279, which has its basis in the 2022 Climate Solutions Now Act, will help to meet Maryland's legal obligation to achieve net zero climate pollution. It will make Maryland a global leader in healthy, modern, climate-safe homes and buildings while saving money for home and building owners, tenants, and the state.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

Peter Alexander, PhD District 9A Woodbine, MD 21797

Testimony in support of HB1279.pdf Uploaded by: Richard KAP Kaplowitz Position: FAV

HB1279_RichardKaplowitz_FAV 03/04/2024

Richard Keith Kaplowitz Frederick, MD 21703

TESTIMONY ON HB#/1279 – FAVORABLE

Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

TO: Chair Korman, Vice Chair Boyce, and members of the Environment and Transportation Committee

FROM: Richard Keith Kaplowitz

My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of HB#1279, Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

Maryland has an ambitious program to reduce the use of fossil fuels to ameliorate the effects of climate change in our state. Fossil fuel extraction and refinement are exacerbating the problems we are facing. This bill is an attempt to mandate new Building Performance Standards that eliminate the use of fossil fuels in new construction. It further sets targets for energy conservation and use of electric and solar sources for powering new construction. It does not call for older buildings to be changed; it is a forward-looking bill for new construction within Maryland. We must commit that the continued use of those fossil fuel sources while we transition away from them, we assist in the mitigation of health harms from these fuels.

This bill facilitates addressing health impacts of climate change and can provide environmental justice to vulnerable populations already facing extreme effects from climate change caused by fossil fuels sited within or near those communities.

Fixing the problem and moving towards Maryland clean energy goals requires a plan to do so and the legal framework to make it happen. This bill moves the state in the direction of fixing problems by eliminating major contributors to those problems. It is a commonsense solution to move Maryland forward.

I respectfully urge this committee to return a favorable report on HB#1279.

Better Buildings Act Testimony - Third Act.pdf Uploaded by: Robert Wald



This **testimony in support of HB1279/SB1023**, **the Better Buildings Act of 2024**, is submitted by Third Act Maryland. We have more than 1,300 members and are part of a nationwide climate justice organization of more than 70,000 experienced Americans over age 60 who are determined to change the world for the better.

The Better Buildings Act must be passed if Maryland is to meet the goals specified in the Climate Solutions Now Act of 2022, which sets a goal of 60% of statewide emissions reductions by 2031 and net zero by 2045. Simply put, **if we continue to expand methane gas infrastructure, we can't meet our climate goals.** The Better Buildings Act will, with certain exceptions, require new buildings across the state to be gas-free.

The Better Buildings Act will **create high-paying jobs for electricians**, while enabling gas utilities to shift their workforce from infrastructure expansion to the much needed maintenance and repair of existing infrastructure: **Methane leaks from pipes beneath our streets in your neighborhood and in neighborhoods across the state**, and leaks worsen with infrastructure age.

The oil and gas industry has known for quite some time that climate-crisis-driven change is coming, yet **they continue to operate in Maryland with a 20th-century business model well into the 21st century.** They've had plenty of time to adapt their business model to the climate crisis, and now it's time—long past time—for the state to compel them to do so.

We urge you to pass the Better Buildings Act of 2024 without weakening amendments.

HB1279_BetterBuildingsAct_ENT_HoCoCA.org_FAV.pdf Uploaded by: Ruth White



Testimony: <u>HB1279</u>: Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)
Hearing Date: March 6, 2024
Bill Sponsor: Delegates Boafo, Charkoudian, Foley, Guzzone, Hill, Kaiser, Ruth, Stein, Terrasa, and Wu
Committee: Environment and Transportation
Submitting: Ruth White for Howard County Climate Action
Position: Favorable

<u>HoCo Climate Action</u> is a <u>350.org</u> local chapter and a grassroots organization representing approximately 1,400 subscribers. It is also a member of the <u>Climate Justice Wing</u> of the <u>Maryland</u> <u>Legislative Coalition</u>. We enthusiastically **urge you to support HB1279**, The Better Buildings Act, which requires most new buildings and substantial improvements to be built smart from the start, with better energy conservation and no on-site fossil fuel combustion for space and water heating.

HoCo Climate Action has been <u>advocating for building decarbonization since October 2020</u> and soon after <u>spearheaded a campaign</u> to electrify all new buildings in Howard County. We actively supported the Climate Solutions Now Act of 2022 (CSNA) but were disappointed that it passed with only a study for all-electric new buildings, so we pivoted back to our Electrify HoCo campaign. Last March, <u>the County Council passed the Clean New Buildings Climate Act</u> (CB5-2023), requiring the County Executive to submit a report on changes needed to the county building code to ensure that future homes and buildings in Howard County rely on all-electric appliances, as well as several related policy items. This bill put the county on the pathway to all-electric new buildings. In November 2022, the Montgomery Council also voted to require new all-electric building standards.

Like most Marylanders, we want to see action on protecting our climate and health. Furnaces and water heaters fired with fossil fuel cause 17% of Maryland's greenhouse gases. Every new building that installs fossil fuel appliances adds to air pollution and climate change when the state is simultaneously devoting substantial funding on efforts to reverse these trends. CSNA commits us to a 60% GHG reduction by 2031 and net zero by 2045. The year 2031 is a mere 7 years away, and 2045 is in 21 years. New appliances typically last 15 years and more. It is counterintuitive to continue to permit buildings that make efforts to achieve our climate goals more difficult to achieve.

The urgent need to transition away from burning fossil fuels in buildings was outlined in several official Maryland reports finalized in December 2023:

• The climate crisis is upon us. Within just five years, global temperatures could breach the critical 1.5°C threshold, triggering catastrophic and irreversible consequences. This long-feared catastrophe is imminent - the time for meaningful climate action is now (Maryland Commision on Climate Change 2023 Annual Report p.3)

- We are motivated by our shared vision of a future where every building is fossil-fuel free. In this vision, residents can spend more of their hard-earned paychecks doing what they love, and businesses can reinvest in their products and services, rather than in energy bills.
 (Building Energy Transition Implementation Task Force report p. 4)
- To meet the statewide climate goals, a large portion of the statewide building stock will need to be updated. (Building Energy Transition Implementation Task Force report p.9)
- ...given the scale of Maryland's GHG reduction goals, efficiency is a necessary but insufficient building decarbonization solution, as buildings will also need to stop burning fossil fuels like gas and oil onsite by switching to electric equipment to meet the same needs (Building Energy Transition Implementation Task Force report p.10)
- The transition to a clean energy economy requires millions of fuel-burning devices to be replaced with efficient, zero-emission alternatives. (<u>Maryland Climate Reduction Plan</u> p. 12)
- Billions of dollars in investments from the Inflation Reduction Act and other sources are already converging with current federal and state policies to transition to zero-emission vehicles, buildings, electricity sources, and more. New policies and investments will quicken the pace of decarbonization. (Maryland Climate Reduction Plan p. 15)
- <u>Maryland's 2030 GGRA Plan</u> called for the state to accelerate the transition of fossil fuel heating equipment in buildings to efficient electric equipment that can be powered by clean electricity. (<u>Maryland Climate Reduction Plan</u> p.35)
- Maryland is among several states moving to adopt zero-emission appliance/heating equipment standards...Modern heat pumps are more than capable of meeting 100% of the heating demand of Maryland buildings, as evidenced by the fact that heat pumps are already commonly used in buildings statewide.
 (Maryland Climate Reduction Plan p. 39)

Continuing to construct fossil-fueled buildings that will need costly retrofits within a decade or so poses an unnecessary burden on the state and residents. We will end up in an endless game of Whac-A-Mole if we insist on building 20th century buildings that need to be quickly retrofitted for the 21st century and beyond. With the Better Buildings Act, we can avoid this costly transition work by building smart from the start. Additionally, those new buildings that will eventually be covered under Building Energy Performance Standards (BEPS) regulations will be at an advantage if they begin as efficient electric buildings.

In most if not all new buildings, the cost of all-electric construction is cheaper, as are the costs to operate electric appliances. While electricity rates are expected to rise, "natural" gas rates <u>are</u> <u>expected to skyrocket</u>. Today, it costs the average resident \$200 a year to just be connected to gas and that doesn't include the gas usage costs. This charge is <u>expected to rise exponentially as more customers transition off gas</u> leaving fewer customers to foot the bill for maintaining the gas infrastructure.



 All-electric new construction is cheaper than mixed-fuel new construction for single-family residential homes across all decarbonization scenarios due to both lower capital (with avoided gas connection) and operating costs



From <u>Maryland Building Decarbonization Study</u> page 65 (this was an report for <u>Appendix A, Building</u> <u>Transition Plan</u> for the <u>2021 Maryland Commission on Climate Change Report</u>) NOTE: O&M is operation and maintenance. <u>Click</u> to enlarge.

On Dec. 29, 2023, the Public Service Commission published the report, <u>An Assessment of</u> <u>Electrification Impacts on the Maryland Electric Grid</u>, an electrification study required by the CSNA. This study demonstrates that the Maryland grid is well positioned to manage the transition to electrification.

The Better Buildings Act ensures we are moving in the right direction, preventing new sources of climate pollution while we work to undo the harms from old ways of planning and building. If we don't pass this legislation, buildings that install fossil fuel heat and hot water appliances in the next few years will still be emitting greenhouse gases long after the state is required to achieve net zero emissions.

We urge a favorable report for HB1279.

Howard County Climate Action Submitted by Ruth White, Steering and Advocacy Committee <u>www.HoCoClimateAction.org</u> <u>HoCoClimateAction@gmail.com</u>

HB1279_Written_Testimony-Saan.pdf Uploaded by: Saan Rhyne

TESTIMONY IN SUPPORT OF HB1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric – and Solar – Ready Standards (Better Buildings Act of 2024)

The Electrify Our Future organization strongly encourages the Committee to recommend the favorable reporting of HB1279, also known as the Better Buildings Act of 2024, introduced by Delegates Boafo, Charkoudian, Foley, Guzzone, Hill, Kaiser, Ruth, Stein, Terrasa, and Wu.

Electrify Our Future (EOF) is a student-led organization, advocating for electrification throughout the state of Maryland. Electrify Our Future, consists of multiple chapters across the state, the primary ones being in Baltimore, Howard, and Montgomery counties. As an organization that represents a diverse body of students, we work to educate Maryland residents and communities about the benefits of electrification, whilst staying politically active to support legislative action favoring electrification. Electrify Our Future commends the Maryland General Assembly for its prior work in combat climate change. However, Electrify Our Future recognizes that more legislation needs to be passed to further the fight against the pressing issue of global warming and pollution. The Better Building Act of 2024 greatly aligns with the perspectives of our organization, as we believe this bill will progress the future of electrification, allowing future Maryland generations to live sustainable lives.

The Better Buildings Act embodies principles that resonate deeply with our organization's mission and values. As students, we recognize the urgent need to address climate change and reduce fossil fuel consumption in order to create a sustainable future for ourselves and future generations. The data before us are alarming. Statistics such as children living in homes with gas cooking have a 42% increased risk of having asthma (Oxford Journal of Epidemiology) are terrifying. Yet these data should not serve to scare us, they must serve to warn us, a warning of a fast-approaching future and a call to action that change must happen now. The Better Buildings Act offers a crucial step forward in achieving these goals by promoting energy efficiency, electrifying new buildings in Maryland, and requiring them to have the capability for electric vehicle chargers and solar panels.

Furthermore, the Better Buildings Act aligns with our commitment to social justice and equity. Energy-efficient buildings not only reduce environmental harm but also improve indoor air quality and comfort, particularly in low-income communities that are disproportionately impacted by pollution and climate change. By prioritizing energy efficiency, the Better Buildings Act promotes healthier and more equitable communities for all.

As students, we recognize the importance of taking decisive action to combat climate change and create a more sustainable future. The Better Buildings Act represents a critical opportunity to advance these goals, and we urge you to support its swift passage and implementation.

As a student organization, we highlight that HB1279 is broadly supported by students across the state, most notably including the Baltimore County Student Councils which represents over 110,000 students. Our students are our future, thus it is imperative for them to be heard when decisions that affect them are decided.

The future of Maryland is in the hands of our youth, yet, the proper framework must be laid out. Infrastructure is continuously being built in Maryland to accommodate new generations, who will be heavily affected by environmental policies and actions. The data are there, the support is clear, and the precedent is set. Delegate, we as students, we as an organization, we as citizens in the state of Maryland ask for one thing: the chance at a better future.

For these reasons, the Electrify Our Future organization asks for a FAVORABLE REPORT on HB1279.

Howard County OCS 2024 - HB 1279 Better Buildings Uploaded by: Timothy Lattimer

Position: FAV



HOWARD COUNTY OFFICE OF COMMUNITY SUSTAINABILITY 9200 Berger Road · Columbia, Maryland 21046 · 410-313-0700 Calvin Ball, County Executive · Timothy Lattimer, Director

www.livegreenhoward.com

March 6, 2024

Delegate Marc Korman, Chair Delegate Regina T. Boyce, Vice Chair House Environment and Transportation Committee Room 251, House Office Building Annapolis, Maryland 21401

RE: HB 1279: Better Buildings Act of 2024

Dear Chair Korman, Vice Chair Boyce, and Members of the Environment and Transportation Committee,

Thank you for the opportunity to convey Howard County's support for House Bill 1279. Howard County Executive Calvin Ball has made ambitious climate action and environmental justice a top priority throughout his tenure. We are already taking aggressive action on energy, transportation, waste, and nature-based climate solutions, which has reduced Howard County's greenhouse gas (GHG) emissions by 15% since 2005. Since 2018, Howard County has prioritized energy-efficient building upgrades, County fleet electrification, expanding publicly available EV chargers, and advancing clean energy by executing Maryland's largest solar power purchase agreement that will ultimately power more than half of Howard County Government operations. As a result of these efforts, Howard County was the nation's first county to receive a LEED Platinum certification for Cities and Communities from the U.S. Green Buildings Council.

Recognizing the need for deeper reductions in this decisive decade for climate action, Howard County Executive Ball launched Howard County's "Climate Forward: Climate Action and Resiliency Plan" in June 2023. This plan sets forth comprehensive strategies required to achieve Howard County's ambitious goals of reducing GHGs by 60% by 2030 and achieving net zero emissions by 2045. Energy use in buildings is second only to transportation as the largest source of GHG emissions in Howard County. Building electrification is an important part of our plan because it reduces the emission of GHGs while also improving indoor air quality and health.

The Better Buildings Act of 2024 would advance Maryland's transition away from the use of fossil fuels for water and space heating, promote energy efficiency, and set important new electric-, solar-, and EV-ready standards for certain new buildings. Because new building systems can lock in and perpetuate carbon emissions for decades to come, the proposed standards are important to safeguarding a livable climate for us and future generations. Howard County requests the Committee's favorable report for HB 1279.

Sincerely,

Timothy Lattimer

Timothy P. Lattimer Administrator, Office of Community Sustainability

HB1279 (SB1023) - FWA.pdf Uploaded by: Landon Fahrig

Position: FWA



TO:	Chair Korman, Vice Chair Boyce, and Members of the Environment and Transporta		
	Committee		
FROM:	MEA		
SUBJECT:	HB 1279 - Maryland Building Performance Standards - Fossil Fuel Use, Energy		
	Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)		
DATE:	March 6, 2024		

MEA Position: FAVORABLE WITH AMENDMENT

MEA can adopt a favorable position on this bill <u>only</u> if the bill is amended.

This bill would accelerate building decarbonization, requiring the Maryland Department of Labor to require that new buildings and significant improvements of buildings and structures meet all water and space heating demands of the building or structure without the use of fossil fuels as part of the Maryland Building Performance Standards.

The Maryland Energy Administration (MEA) is supportive of efforts to decarbonize the building sector. This bill is consistent with Maryland's climate goals –specifically a 60% reduction in greenhouse gas emissions required by the Climate Solutions Now Act (CSNA)– and consistent with the Building Energy Transition Plan adopted by the Maryland Commission on Climate Change.¹ The Plan relied on an E3 study that uncovered several key findings that informed the Buildings Sub-Group's crafting of policy recommendations, including that all-electric new buildings typically have the lowest construction and operating costs. This is the lowest-cost approach to building decarbonization (significantly lower than retrofits), and is likely necessary to achieve net-zero emissions by 2045 for the residential and commercial buildings sectors.

However, MEA can <u>only</u> be supportive if the bill were amended, and would offer one amendment to improve the bill and lower the administrative burden of its implementation. The portion of the bill dealing with Energy Use Intensity (EUI) would create unnecessary administrative burdens and would largely duplicate the work being conducted by the Department of Environment on Building Energy Performance Standards (BEPS) required by CSNA.

MEA urges the committee to strike the EUI language, and to issue a favorable report as amended.

¹Appendix A - Building Energy Transition Plan - Maryland Commission on Climate Change - November 2021, https://mde.maryland.gov/programs/air/ClimateChange/MCCC/Documents/2021%20Annual%20Report%20Appendices%20 FINAL.pdf

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (<u>landon.fahrig@maryland.gov</u>, 410.931.1537).

HB 1279 SWA MDE.pdf Uploaded by: Les Knapp Position: FWA



The Maryland Department of the Environment Secretary Serena McIlwain

House Bill 1279

Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)

Position: Favorable with Amendments **Committee:** Environment and Transportation **Date:** March 6, 2023 **From:** Hadley Anthony

The Maryland Department of the Environment (MDE) SUPPORTS HB 1279 WITH AMENDMENTS.

Bill Summary

House Bill 1279 would require the Maryland Department of Labor's Building Codes Administration to adopt various changes to the Maryland Building Performance Standards (MBPS). The proposed changes include that new construction, starting on October 1, 2025, be required to meet all water and space heating demands of the building without the use of fossil fuels, energy conservation requirements, and an electric- and solar-ready standard for certain buildings.

Position Rationale

While MDE is asking for a favorable with amendments report on HB1279, it should be noted the Department's position is contingent on the amendments, as otherwise MDE would be opposed to the bill. The proposed changes to the MBPS in HB 1279 generally align with Maryland priorities as outlined under the Maryland Climate Pollution Reduction Plan (CPRP) to decarbonize the buildings sector. The CPRP calls for electric-vehicle-ready and solar-ready standards for new buildings, Zero-Emission Heating Equipment Standards, and Clean Heat Standards, all of which aim to reduce building emissions, increase energy efficiency, and reduce reliance on fossil fuel-powered systems. Additionally, the Maryland Commission on Climate Change put forth a recommendation on adopting electric new construction standards in order to promote best practices in pollution mitigation.

MDE is proposing an amendment to strike energy use intensity language from the bill in order to allow the State to follow international building energy codes and better align with proposed Building Energy Performance Standards (BEPS) regulations establishing energy use intensity by building types. This amendment was coordinated with other State agencies.

Accordingly, MDE asks for a FAVORABLE WITH AMENDMENTS report for HB 1279.

Bill Amendments

On page 4, strike beginning with "(8)" in line 22 down through the period in line 28; and in line 29 strike "(9)" and substitute "(8)".

On page 8, strike beginning with "(C)" in line 1 down through the period on page 10, line 16.

HB1279 OPC Testimony.pdf Uploaded by: Mark Szybist Position: FWA

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State of Maryland

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Depu	JULIANA BELL JTY PEOPLE'S COUNSEL	6 St. Paul Street, Suite 2102 Baltimore, Maryland 21202 www.opc.maryland.gov	DIRECTOR, CONSUMER ASSISTANCE UNIT
	BILL NO.:	House Bill 1279	
		Maryland Building Performance Standards – Fo Energy Conservation, and Electric– and Solar– Standards (Better Buildings Act of 2024)	,
	COMMITTEE:	Environment & Transportation Committee	
	HEARING DATE:	March 6, 2024	
	SPONSOR:	Delegates Boafo, Charkoudian, Foley, Guzzone Hill, Kaiser, Ruth, Stein, Terrasa, and Wu	>,
	POSITION:	Favorable with amendments	
	*****	*****	****

The Office of People's Counsel supports House Bill 1279, the Better Building Act of 2024, with an amendment to require that significantly improved existing buildings, as well as new residential buildings, meet all water and space heating demands without the use of fossil fuels.

HB 1279 requires most new buildings in Maryland to meet all energy demands without fossil fuels (i.e., to be fully electric) and requires new construction that cannot feasibly be built without fossil systems and appliances to meet a separate "electric-ready standard." In addition, HB 1279 establishes a solar-ready standard for new buildings that are less than 20 stories tall and have 20,000 square feet or more of continuous roof space, establishes an electric-vehicle-ready standard for all new buildings, and establishes energy conservation standards for new buildings that have 25,000 square feet or more of floor space.

OPC supports HB 1279 with the above-referenced amendment because requiring that new and significantly improved residential buildings be all-electric, while also meeting strong energy efficiency and conservation standards, is both in the economic

interest of Maryland's residential utility customers and a critical step for Maryland's achievement of its greenhouse gas ("GHG") reduction goals.

Background

Direct fossil fuel use in buildings for space heating, water heating, and cooking accounts for approximately 14 percent of Maryland's GHG emissions. For Maryland to achieve net zero emissions by 2045 in accordance with the Climate Solutions Now Act ("CSNA"), both new and existing buildings must generally electrify these energy loads. This makes economic sense for utility customers, as well as climate sense, because as a 2021 analysis by Energy + Environmental Economics ("E3") for the Maryland Commission on Climate Change ("MCCC") found,¹ all-electric buildings are generally more economical in Maryland than mixed-fuel new construction.

The following E3 graphs illustrate the economic advantage of all-electric new construction and retrofits for single-family and multifamily residential buildings:

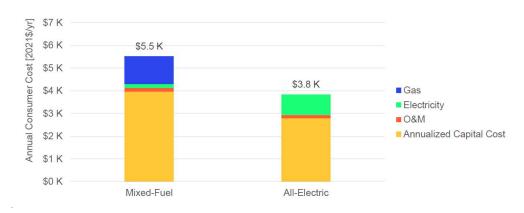


Figure 1: Annual New Customer Costs – Single-Family Residential Buildings

From E3 Maryland Building Decarbonization Study: Final Report (slide 65)

¹ Energy + Environmental Economics ("E3"), *Maryland Building Decarbonization Study: Final Report*, (Oct. 20, 2021) at 37. More recently, RMI's 2022 report, *The Economics of Electrifying Buildings*, found that in nine U.S. cities representing a range of climate zones, all-electric single-family new construction is more economical to build and operate than a home with gas appliances and has lower lifetime emissions. *Available at* <u>https://rmi.org/economics-of-electrifying-buildings/</u>

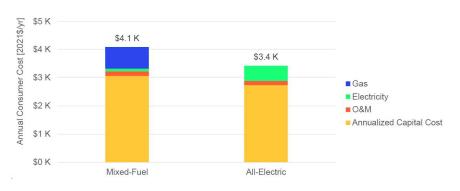


Figure 2: Annual New Customer Costs – Multifamily Buildings

From E3 Maryland Building Decarbonization Study: Final Report (slide 67)

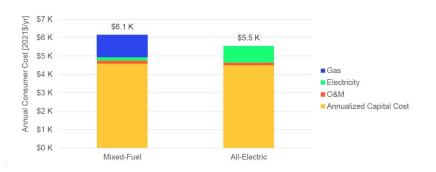


Figure 3: Annual Retrofit Customer Costs – Single-Family Residential Buildings

From E3 Maryland Building Decarbonization Study: Final Report (slide 64)

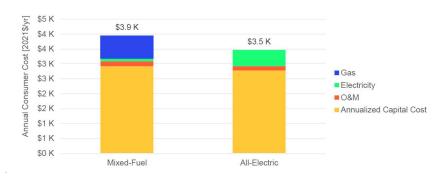


Figure 4: Annual Retrofit Customer Costs – Multifamily Buildings

From E3 Maryland Building Decarbonization Study: Final Report (slide 66)

In light of the E3 analysis, the MCCC in 2021 recommended that the General Assembly "require the Maryland Building Code Administration to adopt a code that ensures that new buildings meet all water and space heating demand without the use of fossil fuels," along with a process whereby buildings that cannot electrify cost-effectively may obtain variances if they meet electric-ready standards.² These requirements were in fact included in the initial drafts of the CSNA—but then were removed from the bill before it was passed due to the concern that Maryland's electricity grid would be unable to handle the increased demand from a highly electrified building sector.

The requirements were replaced with language stating that in alignment with MCCC's recommendation, the General Assembly "supports moving toward broader electrification of both existing buildings and new construction as a component of decarbonization" that that "it is the intent of the General Assembly that the State move toward broader electrification of both existing buildings and new construction on completion of the study required under subsection (b) of this section." That subsection tasked the Building Codes Administration with developing specific recommendations for an all-electric building code by December 1, 2023.

With respect to electricity grid impacts, the General Assembly directed the Public Service Commission ("PSC") to conduct a study "assessing the capacity of each company's gas and electric distribution systems to successfully serve customers under a managed transition to a highly electrified building sector," and directed the Building Codes Administration to conduct a study that includes recommendations "for the fastest and most cost–efficient methods for decarbonizing buildings and other sectors in the State."³

The PSC submitted its analysis to the General Assembly on December 29, 2023.⁴ It concludes that across three "high electrification" scenarios modeled to reduce statewide GHG emissions 60 percent by 2030—including a scenario where buildings electrify mainly by using less efficient heat pumps with electric resistance backup—electricity load growth would range from 0.6 percent to 2.1 percent through 2030.⁵ Moreover, each scenario assumed minimal levels of "demand-side management" strategies like energy

² Maryland Commission on Climate Change, *Building Energy Transition Report: a Roadmap for Decarbonizing the Residential and Commercial Sectors in Maryland* (November, 2021), at 5, *available at* <u>https://mde.maryland.gov/programs/air/ClimateChange/MCCC/Documents/2021%20Annual%20Report%20FINAL%20(2).pdf</u>.

³ See CSNA at § 10(b).

⁴ Serigici, Ramakrishnan, et al., *An Assessment of Electrification Impacts on the Maryland Electric Grid*, prepared by the Brattle Group for the Maryland Public Service Commission with support from Applied Energy Group and Mondre Energy (Dec. 19, 2023), *available at* <u>https://www.psc.state.md.us/wp-content/uploads/MD-PSC-Electrification-Study-Report.pdf</u>. ⁵ *Id.* at 2-3.

efficiency and load flexibility (e.g., time-varying rates that shift electricity consumption to times of non-peak demand).⁶ The study found that load growth could be reduced by 0.2 to 1.2% per year with additional demand-side management programs.⁷

As far as OPC is aware, the Building Codes Administration has yet to submit its study including specific recommendations for an all-electric building code.

Comments

OPC supports HB 1279 for four reasons.

First, as the MCCC concluded in its 2021 Building Energy Transition Plan, and as the analysis cited above shows, all-electric new residential buildings, as well as all-electric residential retrofits, are more cost-effective for Marylanders than mixed-fuel buildings— and the general electrification of the building sector is necessary for Maryland to achieve the GHG reduction targets in the CSNA. The E3 graphs reprinted above show that for both single-family and multifamily residential buildings, the lower cost of all-electric construction is attributable to lower utility costs as well as lower capital costs.

Second, HB 1279's requirement that the Department adopt regulations that establish energy efficiency and conservation requirements for new buildings with a gross floor area equal to or greater than 25,000 square feet will minimize energy usage and costs for Marylanders living in multifamily buildings, who are disproportionately lowincome and generally have less ability to improve the energy efficiency of their living spaces than inhabitants of single-family homes. Moreover, the greater the efficiency of new buildings in Maryland, the less likely those buildings will be to need services (and necessitate expenditures) under Maryland's EmPOWER programs.

Third, as the PSC noted in transmitting its grid impacts analysis to the General Assembly, the load growth rates associated with high electrification in Maryland through 2031 (0.6 percent to 2.1 percent with minimal levels of demand-side management) are significantly lower than the rates that Maryland experienced in the 1980s (4.9 percent average annual growth), and are comparable to those experienced from 1990 to 2010 (1.2 percent to 1.5 percent). Accordingly, the Commission concluded that "[t]hese results show that peak load growth through 2031 with high electrification of the building sector will be comparable to or less than the growth rate that the Maryland system has seen over the past 40 years."⁸ In other words, the PSC's analysis satisfies concerns about electricity

⁶ *Id.* at 3.

⁷ Id.

⁸ Fredrick H. Hoover, Chair, cover letter to President Ferguson and Speaker Jones accompanying *An Assessment of Electrification Impacts* (Dec. 29, 2023), *available at* <u>https://www.psc.state.md.us/wp-</u>

load growth expressed during passage of the CSNA, especially if the General Assembly and the Commission require electric utilities to maximize energy efficiency savings and load flexibility.

Finally, the electrification of new buildings will reduce the build-out of new gas infrastructure—and thereby insulate not just the owners and inhabitants of those buildings, but gas customers as a whole, from rising gas system costs. As OPC has explained,⁹ increasing electrification—which will happen even without HB 1279, only to a lesser extent—will lead to fewer gas utility customers and sales. If sales decline faster than gas utilities' asset bases depreciate and faster than utilities can lower their operating and maintenance costs, the utilities will seek approval for higher gas rates to recover their costs over fewer unit sales. Higher rates will in turn spur more customers to electrify, and those left on the gas system will be required to pay even higher rates. This vicious cycle will have the greatest impact on low- and moderate-income households who lack access to the upfront capital needed to electrify or rent from building owners that lack incentive to electrify.

This trend, which has already begun, was the impetus for a petition that OPC filed with the Public Service Commission in February, 2023 to require long-term gas utility planning and certain immediate actions by the utilities.¹⁰

Recommendation: OPC requests a favorable report from the Committee on HB 1279 with the amendment recommended above.

content/uploads/MD-PSC-Electrification-Study-Report.pdf.

⁹ Office of People's Counsel, *Maryland Gas Utility Spending: Projections and Analysis* (Oct., 2022), with 2023 update, *Maryland Gas Utility Spending: Updated Revenue Projections and Bill Impact Analysis* (Nov, 2023), *available at https://opc.maryland.gov/Publications*.

¹⁰ The Commission docketed OPC's petition to Case No. 9707 and issued a notice on June 14, 2023 requesting public comments through October 10, 2023.

API UNF HB 1279.pdf Uploaded by: Bernie Marczyk Position: UNF



March 6, 2024

Environment and Transportation Committee House Office Building Room 251 Annapolis, Maryland 21401

IN RE: HB 1279 "An Act Concerning Maryland Building Performance Standards – Fossil Fuel Use ..." (Better Buildings Act of 2024)

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

The American Petroleum Institute (API)¹ opposes a ban on the use of fossil fuels in new building construction and encourages the legislature to preserve consumer choice with respect to heating options. The comments that follow are specific to the bill's requirement that "[on or before October 1, 2025 ... the Department shall adopt ... a requirement that new buildings meet all water and space heating demands of the building without the use of fossil fuels]." Policymakers should appreciate the value natural gas has demonstrated in reducing emissions as well as the pivotal role this fuel can play in ensuring a diverse and reliable fuel mix while facilitating the state's energy transition. API believes legislative and regulatory efforts to ban natural gas use are premature and not prudent. While API understands the desire to act, we believe that effective and equitable environmental policy must be flexible and technology neutral, allowing residents to choose the solution which works best for them.

Consumers Should Have Right to Choose

A prudent public policy provides consumers with options. Competition is imperative to protect consumers while driving innovation, ingenuity, and progress. Policymakers should not pick winners and losers but should allow resources and technologies to compete. Free market policies provide the consumer with options to select what best fits their unique requirements. An all-electrification requirement, as contemplated in HB 1279, would remove natural gas from the heating markets, stripping the consumer of the right to select the heating fuel that best suits their needs. A ban on natural gas represents the worst type of policy because it effectively affords consumers only one option – electricity. The state should not develop a policy which allows for just one option and instead should embrace a diverse portfolio of resources, fuels, and technologies.

The Role of Natural Gas in Balancing the Grid and Reducing Emissions

A move to all-electric heating will leave Maryland residents at the mercy of a power grid that is increasingly reliant on intermittent resources. The state should strive for a diversified portfolio of energy resources, and lawmakers should thoroughly assess the grid impacts that could result from comprehensive economy-wide electrification efforts.

Broad electrification could negatively impact the power grid. Policymakers should fully and carefully consider the grid impacts that could result from the changing magnitude and pattern of load associated with electrification. In recent years the state has forwarded policies and incentives to advance electrification in the transportation and building sectors by encouraging electric vehicles as well as home appliance and heating conversions. These policies can increase the demand for electricity significantly with no corresponding assurances that there will be sufficient resources in place to meet this incremental demand. This means that the state may be forced to rely on the use of older and less efficient power plants and import electricity from other regional power systems that may also utilize less efficient power plants.

Building new and efficient gas-fired power plants can provide a pivotal solution that is currently being challenged by plant retirements and growing demand for electricity. The PJM Interconnection (PJM), which operates the wholesale electric grid serving Maryland (and all or parts of 12 other states plus Washington, D.C.), wrote in a recent letter that the deactivation of certain power

¹ The American Petroleum Institute represents all segments of America's natural gas and oil industry, which supports more than 11 million U.S. jobs. Our nearly 600 members produce, process, and distribute the majority of the nation's energy. API members participate in API Energy Excellence, through which they commit to a systematic approach to safeguard our employees, environment, and the communities in which they operate. Formed in 1919 as a standards-setting organization, API has developed more than 700 standards to enhance operational and environmental safety, efficiency, and sustainability.



Northeast Region

plant units in the state "will adversely affect the reliability" of the power grid.² Furthermore, PJM has approved \$5 billion in new substations and power lines in order to avoid the violation of transmission standards and a recognition of potential increased demands for electricity.³ PJM also specifically cited electricity demand growth from electrification as a key trend that could increase reliability risks in the coming years, and noted that "if more natural gas capacity achieved commercial operation, it could help avoid reliability issues."⁴ Additionally, PJM has recently requested that certain fossil fuel "generating units in Maryland" delay retirements to help maintain bulk power system reliability and "mitigate reliability impacts."⁵

Additionally, moving to all-electric heating requirements without any new baseload power plants could result in more emissions rather than less.⁶ It would be prudent for the state to encourage the construction of new highly efficient gas-fired power plants as these facilities would reduce the use (and likely hasten the retirement) of older, higher-emitting and more expensive power plants. The dispatchability and flexibility of natural gas-fired power plants allow them to complement the sometimes-variable output of wind and solar facilities. The state should not pass any bill that stigmatizes or bans the use of natural gas. Rather, policymakers should encourage the use of natural gas to facilitate the integration of renewables.⁷ Additionally, natural gas has long been valuable in reducing emissions from the power sector and ensuring a reliable system while providing reserve and regulation support.⁸

A Ban Inappropriately Closes Door on Prospect of Renewable Natural Gas and Emerging Technologies

API and its members are committed to delivering solutions that reduce the risks of climate change while meeting society's growing energy and electricity needs. The industry is investing in the development of cleaner fuels including renewable natural gas and hydrogen. A fossil-fuel free building requirement creates a disincentive for investment in these promising technologies.

Unintended Consequences

Legislators should also recognize that moving the state to electric heat and heat pumps can have the unintended consequence of incentivizing customers to purchase and use backup generators that run on fossil fuels. The state must first understand and appreciate the potential economic and environmental consequences of additional backup generators before pursuing a future of only electric heat in new construction.

Cost

Good public policy considers cost impacts on consumers, especially those in overburdened communities. All-electric legislation will likely increase costs. According to research conducted for the National Association of Home Builders, all-electric homes cost more upfront in comparison to gas homes.⁹ Specifically, for new construction the estimated electrification costs for an electric reference house in Baltimore compared to a baseline gas reference house ranges from just under \$4,000 to over \$14,000.¹⁰

Conclusion

For the reasons outlined above, API respectfully *opposes HB 1279*, which removes consumer choice and effectively bans the use of all fossil fuels in new building construction. Thank you for considering these comments, and please feel free to follow up with Michael Giaimo (giaimom@api.org or 603.777.0467) should you have any questions.

¹⁰ *Ibid.* These numbers reflect the ranges associated with the low- and high-reference cases contained in this study.

² See https://www.pim.com/-/media/planning/gen-retire/deactivation-notices/pim-response-letter-wagner.ashx.

³ See https://pim.com/-/media/committees-groups/committees/teac/2023/20231205/20231205-pim-teac-board-whitepaper-december-2023.ashx.

 ⁴ See <u>https://www.pim.com/-/media/library/reports-notices/special-reports/2023/energy-transition-in-pim-resource-retirements-replacements-and-risks.ashx.</u>
 ⁵ See <u>https://insidelines.pim.com/pim-working-to-mitigate-reliability-impacts-of-retiring-wagner-units/</u>.

⁶ As a point of reference, technological improvements over the past decade have reduced the carbon emission rate of new gas plants by 12 percent, which means that over the course of a year, a typical baseload gas plant built in 2020 emits 170,000 tons less carbon than one built in 2009.

⁷ Natural gas combusted on-site is currently cleaner per unit of energy than electricity from the grid because of the energy losses occurring during the generation, transmission, and distribution of electricity. See City of New York Mayor's Office of Sustainability, One City Built to Last: Transforming New York City Buildings for a Low-Carbon Future, 34 (2016).

⁸ The electric generation sector has significantly decreased greenhouse gas emissions. Emission reductions in this sector are greater than any other sector of the economy. Using data from the U.S. Energy Information Administration, API estimates that carbon emissions from New York's power generation sector have plummeted 56 percent since 2000. Most of this decline can be attributed to the switch from coal and oil to natural gas. *See* also The North American Electric Reliability Corporation, the standard bearer for reliability of the continent's bulk power systems, concluded that flexible, fast-ramping natural gas generators will be needed to maintain reliability as intermittent renewable resources become more prevalent.

⁹ See https://www.nahb.org/-/media/NAHB/nahb-community/docs/committees/construction-codes-and-standards-committee/home-innovation-electrification-report-2021.pdf.

MD 2024 HB 1279 Columbia Gas Testimony Final.pdf Uploaded by: Carville Collins

Position: UNF



A NiSource Company

OPPOSE – House Bill 1279 Maryland Building Performance Standards House Environment and Transportation Committee

Columbia Gas of Maryland, Inc. opposes House Bill 1279, which requires the Maryland Department of Labor to adopt, as part of the Maryland Building Performance Standards, a requirement that new buildings meet all water and space heating demands of the building without the use of fossil fuels. The legislation also requires buildings 25,000 square feet or larger and new residential buildings less than four stories above grade plane to achieve site energy use intensity (EUI) standards which eventually are set at a net-zero energy balance on or after October 1, 2035.

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 just shift the point source of emissions from a new building to a base load electric generation facility. House Bill 1279 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 renewable natural gas (available today) and new technologies like hydrogen, both of which are expected to provide cost-effective heat and energy to homes and businesses. 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 without the need to replace appliances, and thus should not be barred from use.

While the proposed legislation allows a local jurisdiction to grant a waiver from the requirement banning fossil fuel use for emergency back-up power systems and buildings designated for use by five types of business, it ultimately prevents customer choice for those building their own homes or building commercial business space in the future. Under the bill, financial considerations are not a sufficient basis to pursue a local waiver of the requirement. To the contrary, Columbia Gas respectfully submits that financial considerations are <u>the</u> major consideration when building a new home or business.

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). HB 1279 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 bans the use of the products. Accordingly, Columbia Gas believes HB 1279 is preempted by federal law.

Columbia Gas wishes to make clear that its company leadership believes climate change is real, and we are committed to reduce the greenhouse gas emissions of our operations and pursue opportunities to reduce customer emissions. However, that change must happen within the confines of the reality with which our energy is produced and consumed. Columbia Gas supports appropriately crafted policy on emission reductions that:

- Targets deep greenhouse gas reductions consistent with affordability and reliability
- Preserves customer energy choice
- Addresses customer equity issues and supports an equitable energy transition
- Expands utility energy efficiency and renewable energy programs
- Incentivizes market demand for low carbon gas and advanced technologies
- Recognizes the mitigation, adaptation, affordability and reliability benefits of gas infrastructure
- Promotes modernization of gas infrastructure, which is key to reducing emissions and ensuring a safe, reliable and climate-resilient energy system
- Promotes an environment of innovation, research, development and deployment needed for deep emissions reductions; and
- Supports utility rate mechanisms and cost recovery processes that support a lower carbon future.

The requirements of HB 1279 are not in line with the above parameters, and consequently Columbia Gas cannot support HB 1279 as appropriately crafted policy on greenhouse gas emission reductions, and therefore urges an unfavorable report.

March 6, 2024

<u>Contact:</u> Carville Collins (410) 580-4125 <u>carville.collins@dlapiper.com</u> <u>Contact:</u> Scott Waitlevertch (724) 888-9774 <u>swaitlevertch@nisource.com</u>

BGE_OPP_ET_House Bill 1279- Maryland Building Perf Uploaded by: Dytonia Reed

Position: UNF



Position Statement

Oppose Environment and Transportation 3/6/2024

House Bill 1279- Maryland Building Performance Standards - Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

Baltimore Gas and Electric Company (BGE) opposes *House Bill 1279- Maryland Building Performance Standards - Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024). House Bill 1279 requires the Maryland Department of Labor to adopt a requirement that new buildings, 20,000 sq. ft or more or 20 stories or less in height above grade plane, meet all water and space heating demands without the use of fossils. Additionally, <i>House Bill 1279* requires buildings undergoing significant repair or improvements costing equal or exceeding 50% of the replacement cost of the structure before the improvements or repair started.

Currently, the Department of Environment (MDE) is promulgating regulations to implement the building performance standards (BEPS) for buildings of a specific size as required by the 2022 Climate Solutions Now Act (CSNA). MDE is still reviewing feedback received during the comment period ending on January 18 and making necessary revisions to the proposed regulations based on the numerous stakeholder responses received. MDE indicated that the BEPS regulations would not be finalized until May of this year. But once finalized and implemented, building owners must benchmark energy data and meet interim net direct GHG emissions reductions by 2030. BGE supports the deliberate approach currently undertaken by the State to implement building performance standards to align with Maryland's ambitious climate goals.

There are ongoing processes holistically addressing this topic, which *House Bill 1279* does not consider and, if passed, could delay the progress of existing efforts, including:

• The CSNA required that the Maryland Department of Labor's Building Codes Administration to study options for developing an all-electric building code and that Maryland adopt the 2018 International Green Construction Code (IGCC). State building codes were updated in May 2023 based on the 2021 International Energy Conservation Code (IECC). Model energy and building codes may aid in reaching the State's goals of adopting low or zero-carbon construction standards by 2031.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.



- The Green and Healthy Task Force of 2023-2026 is tasked with and will recommend how to deliver green housing for limited-income households throughout the State.
- The Maryland Green Building Council guides Maryland's High-Performance Building Program, which applies to new and renovated State-funded buildings.
- The Air Quality Control Advisory Council advises on draft air quality rules and regulations proposed by MDE, including BEPS.

BGE supports building decarbonization in our service territory in a way that takes customer choice and costs to our customers seriously and helps ensure the safe, reliable, and resilient provision of energy to them. Electrification will require significant incremental investments in our electric infrastructure to serve the resulting load reliably and with resilience in mind. However, such a meaningful shift to the State's building standards as the one contemplated in *House Bill 1279* requires time for planning and implementation. The BGE territory serves 54% of Maryland's residential gas customers and 55% of commercial and industrial gas customers. These customers represent nearly half of statewide natural gas use in Maryland's buildings and industry. Of this natural gas use, approximately 25% is associated with harder-to-electrify large commercial and industrial users. *House Bill 1279* does not provide the tools necessary to expedite the planning, siting, permitting, and construction of such electric system infrastructure, and fails to address the significant potential costs associated with electrification. Without the required time and tools, the grid may be unable to serve new loads during times of peak energy usage.

Further, BGE engaged Energy + Environmental Economics (E3) to analyze viable pathways that achieve the State's net zero goals and identify potential implications for BGE's customers and service area. E3 analyzed three key decarbonization scenario pathways that built on prior work E3 performed for the State: 1) Limited Gas; 2) Hybrid; and 3) Diverse. Each of the pathways could achieve Maryland's net-zero GHG emission targets and all require significant electrification – including building and transportation electrification. The most important finding by E3 is that the Hybrid and Diverse pathways, both of which leverage the combined capabilities of electric and gas delivery systems, achieve Maryland's goals at lower cost and less risk for customers and the State's economy. These Integrated Energy System (IES) pathways also deliver greater resiliency, fuel diversity, more realistic constructability and less disruption to customers and the State's economy¹. And again, the

¹ <u>BGE_PathToClean_Final_090623.pdf (contentstack.com)</u>

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.



Integrated Energy System pathways meet Maryland's goal of achieving net zero greenhouse gas emissions by 2045.

BGE opposes *House Bill 1279* as it forces a rapid shift without appreciating the current ongoing work, costs, and the impacts of such a rapid change on all energy customers in Maryland. BGE respectfully requests that the Committee issue an unfavorable committee report.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

HB1279UNF.pdf Uploaded by: Eric McWilliams Position: UNF

March 5, 2024

Education, Energy, and the Environment Committee 2 West, Miller Senate Office Building Annapolis, Maryland 21401



<u>HB1279- Maryland Building Performance Standards – Fossil Fuel Use, Energy</u> <u>Conservation, and Electric- and Solar- Ready Standards (Better Buildings Act of 2024):</u> <u>OPPOSE</u>

Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee,

The ICSC Maryland Government Relations Committee respectfully opposes Senate Bill 1023: *Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar- Ready Standards (Better Buildings Act of 2024).* ICSC is the marketplaces industry association supporting more than 45,000 members. In Maryland our industry supports 500,000 jobs and is responsible for nearly \$7.1 Billion in state sales and use tax revenue. House Bill 1279 would require that new buildings meet all energy demands without the use of fossil fuels and create an electric- and solar-ready standard for certain buildings.

ICSC is concerned with the large change in policy that this bill would mandate. In recent months, PJM has placed a strong emphasis on ensuring the grid's reliability in the face of electrification challenges. This potential policy's change in electrification may further strain the grid before its capacity is adequately addressed. In addition, the economic burden falls heavily on utility payers, and this transition could impact not just new building owners but the broader community due to an increased electricity demand.

We respectfully ask for an unfavorable report for this legislation.

Sincerely, Eric McWilliams ICSC Maryland Government Relations Chair

HB 1279_MDCC_Better Buildings Act of 2024_UNFAV.pd Uploaded by: Hannah Allen

Position: UNF



LEGISLATIVE POSITION: Unfavorable House Bill 1279 – Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024) House Environment & Transportation Committee Wednesday, March 6, 2024

Dear Chairman Korman and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

House Bill 1279 requires the Maryland Department of Labor to adopt a requirement, as part of the Maryland Building Performance Standards, that new buildings are electric- and solar-ready and meet energy conversation requirements without the use of fossil fuels.

This legislation creates high barriers to new construction, resulting in significant challenges for existing and new businesses and future economic development in Maryland. House Bill 1279 would severely restrict the availability of affordable energy options for all new buildings in the state. It also places Maryland at a significant regional economic competitiveness disadvantage by ultimately phasing out the use of other affordable energy sources for commercial buildings that are critical to every jurisdiction in our state. This bill sets Energy Use Intensity standards that lack clarity, as it remains uncertain how these standards will be applied on a building-by-building basis or whether they are realistically achievable.

While the intention of HB 1279 is to reduce greenhouse gas emissions by mandating electriconly buildings, it overlooks the fact that a significant portion of Maryland's electricity is generated from fossil fuels. This legislation simply shifts emissions from individual buildings to electric generation facilities, without fundamentally reducing carbon output. Moreover, it neglects the importance of maintaining a diverse energy portfolio for grid stability and reasonable utility rates, which are vital to both residential and commercial consumers. Additionally, this legislation restricts the adoption of innovative technologies such as renewable natural gas and hydrogen, which offer cost-effective and environmentally friendly alternatives for heating and energy needs.

<u>The Maryland Energy Administration released a study in January 2024</u> on the costs, barriers, and impacts related to requiring both new and existing multifamily residential buildings to include

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electric vehicle supply equipment or EV-ready parking spaces. The report explains that the infrastructure comes at a steep cost, estimated at \$7.4 billion to install EV-ready infrastructure for 50% of parking spaces, which does not include the cost of running power to the building. We encourage the committee to consider these large cost impacts, as an electric vehicle-ready requirement alone will have substantial costs to businesses and residents building or purchasing a new building.

HB 1279 also brings forward legal concerns. This legislation is intended to reduce greenhouse gas emissions by mandating electric only buildings and preventing the use of fossil fuel appliances. In April of 2023, the U.S. Court of Appeals for the Ninth Circuit held that the Energy Policy and Conservation Act (EPCA) preempts state and local building codes concerning the energy use of natural gas appliances, including Berkeley's building code which prohibits natural gas piping into new buildings, preventing the use of natural gas. In January 2024, the Ninth Circuit denied Berkeley's request for review and the panel's decision, which struck down Berkeley's ordinance, was reaffirmed.

It is also important to note that the federal Energy Policy and Conservation Act (EPCA) preempts state laws and regulations that effectively ban certain EPCA-regulated energy products from accessing energy sources. In most buildings, appliances like natural gas furnaces and water heaters fall under the category of "covered products" according to the EPCA. EPCA precludes states from setting energy conservation standards for these products, especially when state laws effectively prohibit their use. HB 1279, by mandating electric-only buildings and prohibiting fossil fuel appliances, conflicts with EPCA regulations, likely rendering it preempted by federal law.

Lastly, the Chamber is concerned that HB 1279 fails to account for customer choice and could lead to affordability and reliability issues. We believe that legislation aimed at reducing greenhouse gas emissions must be comprehensive, inclusive of innovative technologies, and mindful of federal regulations to ensure a sustainable and prosperous energy future for Maryland. While we have been supportive of efforts to responsibly reduce emissions, House Bill 1279 sets for an unrealistic implementation timeline that would drastically change the permitting process for future construction in the state. A sole source energy policy poses risks, high costs and challenges. A balance should be struck between reducing emissions, promoting technological innovation, and ensuring affordability, accessibility and choice for consumers.

For these reasons, the Maryland Chamber of Commerce respectfully requests an Unfavorable Report on HB 1279.

MDCHAMBER.ORG 60 West Street, Suite 100, Annapolis 21401 | 410-269-0642

MBIA Letter of Opposition HB 1279.pdf Uploaded by: Lori Graf Position: UNF



March 4, 2024

The Honorable Marc Korman Chairman, House Environment and Transportation Committee Room 251, House Office Building Annapolis, Maryland 21401

RE: MBIA Letter of Opposition HB 1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

Dear Chairman Korman,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1279 Maryland Building Performance Standards** – **Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)**. MBIA **opposes** the Act in its current version.

This bill requires the Maryland Department of Labor to adopt a requirement that new buildings meet all water and space heating demands of the building without the use of fossil fuels, energy conservation requirements, and an electric– and solar–ready standard for certain buildings. While we fully support the goals of promoting sustainability and environmental responsibility, we believe that the provisions in this bill will present significant challenges for our industry. Implementing the mandated requirements for electric vehicle infrastructure, solar readiness, and energy conservation measures is likely to increase construction costs significantly. Ensuring compliance with these standards will require specialized expertise and resources that may not be available or cost-effective for all stakeholders involved. Additionally, meeting the new standards will require more time for planning, design, and construction. This will add significant delays to the construction process that is already very slow.

This bill will further add a disincentive for investment in housing in Maryland. As you know, Maryland currently faces a housing shortage of approximately 96,000 housing units. If nothing changes, that number will increase by 5,600 units per year. The National Association of Homebuilders reports that the estimated rent of a Maryland Housing Units is more than 30% of household incomes state wide with 25% of people spending more than 50% of their income on housing. In order to address this problem, we need a concerted effort to make housing available, and affordable to the residents of this state. This bill is a step in the wrong direction.

For these reasons, MBIA respectfully urges the Committee to give this measure **an unfavorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment and Transportation Committee

HB1279 Opposition.pdf Uploaded by: Lory Ebron Position: UNF

COMMISSIONERS FOR SOMERSET COUNTY

11916 SOMERSET AVENUE, ROOM 111 PRINCESS ANNE, MARYLAND 21853 TELEPHONE 410-651-0320, FAX 410-651-0366

COMMISSIONERS CHARLES LAIRD, PRESIDENT RANDY LAIRD, VICE-PRESIDENT CRAIG N. MATHIES, SR. ELDON WILLING DARRYL K. WEBSTER



COUNTY ADMINSTRATOR RALPH D. TAYLOR

DEPUTY COUNTY ADMINISTRATOR ERNEST J. LEATHERBURY, JR.

> COUNTY ATTORNEY KIRK G. SIMPKINS

February 27, 2024

The Honorable Marc Korman Environment and Transportation Committee Room 251 House Office Building Annapolis, MD 21401

Re: HB1279-Maryland Building Performance Standards-Fossil Fuel Use and Electric-Ready Standards (Better Buildings Act of 2024)- Letter of Opposition

Dear Chairman Korman and Committee Members:

On behalf of the Commissioners for Somerset County, this is written to express our respectful, but strong opposition to House Bill 1279.

First and foremost, Somerset County has a long history of taking actions to reduce the effects of climate change. As you may know, a natural gas company recently completed the construction of a line with natural gas service already serving the Pharmaceutical Building at the University of Maryland – Eastern Shore, and work is in process to provide the service to Eastern Correctional Institution in Westover and the US 13 corridor. This gas line has been a priority of Somerset County for decades and we greatly appreciate the help the State provided in making this happen. For years, potential employers have been hesitant to locate in Somerset County due to its lack of natural gas service. Now that the line is finished, employers and property owners (including certain agri-businesses, the Princess Anne Industrial Park and home builders) are counting on the ability to connect to natural gas.

Secondly, as the Governor and the State of Maryland have placed a strong emphasis on affordable and adequate housing, implementing HB 1279 would significantly increase the cost of building affordable homes not just in Somerset County but across the state.

Respectfully, we believe that artificially choking off the ability of customers to choose natural gas will defeat all of the hard work the Somerset County has expended over the last several years to bring the natural gas line to the County. Furthermore, the increased costs of building a home to the standards in HB1279 would further hinder development in Somerset County. We ask that you please consider our serious concerns as you review and debate HB1279.

Sincerely

Charles Laird President

Washington Gas - HOUSE BILL 1279 - Oppose.pdf Uploaded by: Manuel Geraldo

Position: UNF



1000 Maine Avenue, SW | Suite 700 | Washington, DC 20024 | www.washingtongas.com

COMMITTEE: ENVIRONMENT & TRANSPORTATION

TESTIMONY ON: HB1279 MARYLAND BUILDING PERFORMANCE STANDARDS – FOSSIL FUEL USE, ENERGY CONSERVATION, AND ELECTRIC– AND SOLAR–READY STANDARDS (BETTER BUILDINGS ACT OF 2024)

POSITION: OPPOSE

HEARING DATE: MARCH 6, 2024

Washington Gas respectfully submits this statement in **OPPOSITION** to **House Bill 1279** – **Maryland Building Performance Standards** – **Fossil Fuel Use, Energy Conservation, and Electric– and Solar–Ready Standards (Better Buildings Act of 2024)**

Washington Gas Light Company ("the Company") provides safe, reliable natural gas service to more than 1.2 million customers in Maryland, Virginia, and the District of Columbia. Washington Gas has been providing energy to residential, commercial, government, and industrial customers for more than 175 years, and currently serves more than 500,000 Maryland customers in Montgomery, Prince George's, Charles, St. Mary's, Frederick, and Calvert Counties. The Company employs over 400 people within Maryland, including contractors, plumbers, union workers, and other skilled tradespeople. The Company strives to improve the quality of life in our communities by maintaining a diverse workforce, working with suppliers that represent and reflect the communities it serves, and giving back through its charitable contributions and employee volunteer activities. The Company, together with other natural gas distribution utilities, are responsible for delivering the primary source of heat to Maryland residential energy consumers, serving approximately one half of all Maryland households while providing critical energy services to residential, commercial, and industrial customers at one-third the cost of electricity on a per unit basis.¹

The Company supports Maryland's climate goals and believes that Maryland's gas infrastructure can help the State meet those goals while providing a wide range of benefits to Maryland customers. House Bill 1279 ("HB 1279") would require, starting October 1st, 2025, all new

¹ DOE. <u>Energy Conservation Program for Consumer Products: Representative Average Unit Costs of Energy</u> (Aug. 28, 2023).

buildings or buildings undergoing significant improvements to meet all water and space heating demand without fossil fuels. HB 1279 also proposes to implement strict site energy use intensity ("EUI") requirements and offers no rationale for how the targets were determined. These requirements mandate that all of Maryland's buildings electrify regardless of any impacts on reliability, affordability, and energy choice while disregarding practical, low cost decarbonization alternatives. The State should consider technology-agnostic policies that can help achieve its greenhouse gas ("GHG") emissions reduction goals while maintaining affordable, reliable, safe, and secure energy for Marylanders. HB 1279 is not an appropriate, realistic, or efficient way to advance emissions reductions for customers in Maryland. It will require substantial investments by Maryland's residents and businesses, increase utility bills, and reduce the diversity, reliability, and resilience of Maryland's supply of energy.

<u>Affordability</u>

By forcing home and building owners to electrify, HB 1279 will increase Marylanders' energy bills. The Energy Information Administration's (EIA) Winter Fuels Outlook for 2023-2024 estimates that it will cost, on average, 76% more to heat homes this winter using electricity compared to natural gas (U.S. Average: \$1,063 vs \$601). In the Northeast, it is estimated to cost 92% more this winter (Northeast Average: \$1,465 vs. \$761).² Additionally, widespread electrification will increase electric rates overall due to the increased need for infrastructure investments that are needed to support high load growth. A recent New York Times article stated that "power bills have been rising nationwide, and in Baltimore, electricity rates have increased almost 30 percent over the last decade, according to data from the Bureau of Labor Statistics."³

Additional benefits and cost savings resulting from the reliability of the State's natural gas infrastructure would be lost through widespread electrification. Less than 1% of customers are expected to experience a natural gas outage in any given year, while electric distribution systems see an average of one (1) outage per year per customer.⁴ The high reliability of the natural gas system provides significant cost savings on peak demand days. For example, Oregon utility Northwest Natural Gas conducted an analysis of its winter peak demand days and found that the amount of new renewables and storage required to replace the use of natural gas on such days (in terms of exajoules of energy) would cost approximately \$20 billion, not including any grid upgrades required to reliably integrate and deliver energy from these renewables.⁵

The site EUI targets included in HB 1279 are stricter than the targets adopted in Maryland's Building Energy Performance Standards ("BEPS") and would accrue significant costs to all buildings in the State to achieve compliance. The Building Energy Transition Implementation Task Force ("BETITF"), co-chaired by the Maryland Department of the Environment with the Maryland Energy Administration, estimates the compliance costs for buildings covered by BEPS at roughly

² U.S. Energy Information Administration. <u>Winter Fuels Outlook 2023-24</u> (Jan. 9, 2024).

³ New York Times. <u>As Utility Bills Rise, Low-Income Americans Struggle for Access to Clean Energy - The New York Times (nytimes.com)</u> (Jan. 11, 2024).

⁴ AGA. <u>Natural Gas is Reliable</u>

⁵ NW Natural. <u>Understanding Peak Demand</u> (2023).

\$1 billion per year.⁶ BETITF assumed that at most half of these necessary costs are financeable, meaning that the State would be accountable for funding at least the other half. Modeling commissioned for BETITF, conducted by the engineering firm AECOM, estimated ~\$15B in total costs for all covered buildings to achieve compliance.⁷ HB 1279 applies to all buildings in the State, not just those covered by BEPS. When analyzing HVAC electrification of residential buildings, BETITF estimated that electrification could cost as much as \$1.3 billion per year for a total cost of ~\$715 per year for each residential building in the State.⁸ HB 1279 would impose these costs onto Marylanders in the form of high compliance costs for building owners and strain the State's budget without viable sources of funding.

Feasibility of Implementation

HB 1279 bans using fossil fuels for water and space heating, and questions remain about the legality of such a measure. For example, Berkely, California's proposed ban on natural gas hookups in new construction was struck down in federal court.⁹ There are also uncertainties around the feasibility of abandoning natural gas for widespread electrification and whether the grid will be able to accommodate the increased load. The United States Department of Energy's ("DOE") 2023 Transmission Needs Study found that PJM must increase within-region transmission by 61% by 2035 and interregional transfer capacity with the Midwest region by 474% by 2035, both relative to 2020 to accommodate high load and high clean energy growth.¹⁰ Major transmission lines can take more than a decade to obtain permits.¹¹ This does not account for the planning, purchasing of land, construction, and other subsequent activities that go into making new transmission operational on the grid.

Besides the cost and grid impact-related challenges of electrification, there is reason to question whether the site EUI requirements outlined in HB 1279 are feasible. According to the DOE, a typical heat hump in a typical home uses 5,475 kWh per year¹² (~18,680 kBtu), and a typical heat pump water heater uses 2,195 kWh per year¹³ (~7490 kBtu). Together these two end uses would account for ~83% of a home's site EUI requirement in 2032, without accounting for additional energy needs for lighting, cooking, clothes drying, etc. It is unreasonable to assume any building will be able to comply with this extremely strict requirement.

Finally, the timeline in which the site EUI targets are implemented is very aggressive and not feasible for Marylanders. Going from 17 kBTU/sqft to net zero in three years would require

⁶ Building Energy Transition Implementation Task Force. <u>Final Report of the Building Energy Transition</u> <u>Implementation Task Force</u> (Jan. 24, 2024).

⁷ MDE. <u>Maryland Cost of Building Data Summary</u> (2023). See 'Total Costs' under the 'Potentially Covered Costs' Tab

⁸ MDE. <u>Maryland Cost of Building Data Summary</u> (2023). See 'Total Costs/year' under the 'Residential Costs' Tab. \$1303545544.23688/year divided by 1,823,247 buildings equals \$714.958/residential building/year

⁹ SmartCitiesDive. <u>Federal court won't reconsider decision to overturn Berkeley, California, natural gas ban</u> (Jan. 2, 2024).

¹⁰ DOE. Transmission Needs Study <u>Mid-Atlantic Region</u> (Oct. 30, 2023).

¹¹ Bloomberg Law. <u>States Balk at Permitting Plan's 'National Interest' Power Lines</u> (Sep. 2022).

¹² Energy Sage. <u>How much energy does a heat pump use?</u> (Nov. 20, 2023).

¹³ Carbon Switch. <u>Heat Pump Water Heater Buyer's Guide</u> (2024).

aggressive energy efficiency, solar, storage, and/or electrical heating equipment rollouts and saddle Maryland residents and businesses with significant energy-related costs. This does not consider the availability of the necessary equipment and labor. According to the Bureau of Labor Statistics, there will be ~73,500 electrician job openings per year over the next decade.¹⁴ Electricians are necessary to electrify buildings, and this projected shortage will hamper Maryland's ability to electrify on the timeline stated.

Emissions from Electricity Generation

While HB 1279 is meant to reduce GHG emissions to help meet the State's climate goals, PJM's current and future electricity generation mix presents challenges to reducing GHG emissions through electrification. Today, fossil fuel resources comprise over 55% of PJM's generation mix,¹⁵ with fossil generation often being higher during periods of peak demand,¹⁶ and PJM has documented challenges in interconnecting new renewable energy resources.¹⁷ The State's Climate Pollution Reduction Plan further anticipates that the State's reliance on imported power from PJM will increase ~81% by 2030 and ~142% by 2035 as it retires additional in-State fossil resources and fails to add in-State zero-emission generation at a commensurate pace.¹⁸ The high reliance on fossil-fuel heavy electricity imports from PJM underlines the fact that electrification is not guaranteed to reduce GHG emissions, and HB 1279 risks increasing that reliance.

The State's inability to meet its own in-State renewable energy generation targets also highlights the challenges that the electric sector is facing to meet Maryland's climate goals. The Bureau of Ocean Energy Management recently excluded a proposed offshore wind energy area in Maryland from an offshore wind lease sale that is set to occur this year. 278,000 acres off the shores of Delaware and Virgnia were approved by BOEM, while 78,265 acres off the shore of Ocean City, MD,¹⁹ were deemed unviable due to the significant costs and mitigation of negative environmental effects that would be required.²⁰ The excluded area was projected to generate between 1.1 - 2.2 GW of power.²¹ Meanwhile, Ørsted has cancelled its Maryland offshore wind projects as the State and the broader Northeast region has hit major stumbling blocks in adding their own in-State renewable energy sources.²² In 2021, Senate Bill 65 revised down the solar carve-out requirement in Maryland's renewable energy portfolio standard for every year from 2023-2029,²³ and the State has been challenged to add sufficient new solar resources. According to the Public Service Commission's 2022 Annual Report, applications for in-State photovoltaic solar renewable energy credits were down by ~3.9% from 2021 and the total capacity of projects approved was only 263 MW, down more than 40% from 2021.²⁴

¹⁴ Bureau of Labor Statistics. <u>Electricians Job Outlook</u> (Sep. 6, 2023).

¹⁵ PJM. <u>Markets & Operations</u> (last accessed Feb. 27, 2024).

¹⁶ PJM. Winter Operations of the PJM Grid: December 1, 2020 – February 28, 2021 (Apr. 7, 2021).

¹⁷ PJM. Energy Transition in PJM: Resource Retirements, Replacements & Risks (Feb. 24, 2023).

¹⁸ MDE. <u>Climate Pollution Reduction Plan – Climate Plan Data</u> (Dec. 28, 2023).

¹⁹ BOEM. <u>BOEM Finalizes Wind Energy Areas in the Central Atlantic</u> (Jul. 31, 2023).

²⁰ BOEM. <u>Biden Harris Administration Advances Offshore Wind in the Central Atlantic</u> (Dec. 11, 2023).

²¹ Offshore WIND. <u>BOEM Issues Draft EIS for Maryland Offshore Wind Project</u> (Oct. 2, 2023).

²² Maryland Matters. <u>Md. offshore wind developer announces 'repositioning' of project, seeks new financial support</u> (Jan. 25, 2024).

²³ Maryland General Assembly. <u>Senate Bill 65</u> (Jun. 1, 2021).

²⁴ Maryland Public Service Commission. <u>2022 Annual Report</u> (April 2023).

Lower carbon fuels and other GHG emission abatement strategies for the gas system can provide emissions benefits when compared to the emissions profile of the current and projected grid electricity supply, and these solutions should not be disadvantaged by the electrification mandate proposed in HB 1279.

Conclusion

The Company is committed to working with stakeholders to help achieve Maryland's GHG emissions reduction targets. HB 1279, by prohibiting natural gas, eliminates an affordable way for Maryland customers to heat their homes, cook their meals, and operate their businesses. Electrification is not the sole solution to climate change in Maryland and should not be treated as such. There is a role for existing and future technology innovation to support diverse pathways to decarbonizing Maryland, and the State's existing natural gas infrastructure can and should be leveraged to preserve affordability, reliability, safety, and security of energy delivery.

For the above reasons Washington Gas respectfully requests an unfavorable report on House Bill 1279. Thank you for your consideration of this information.

Contact:

Manny Geraldo, State Government Relations and Public Policy Manager M 202.924.4511 | manuel.geraldo@washgas.com

2024-SB1023-HB1279-UNFavUNCONSTITUTIONAL.pdf

Uploaded by: Nelda Fink Position: UNF SB1023 - HB1279 - UNFAVORABLE UNCONSTITUTIONAL!

Nelda Fink

MD District 32

I strongly oppose this bill because it requires additional building expenses for reasons that are not necessary to the safety of the building but are there only to support the state's unconstitutional mandates of a certain <u>federal agenda</u> clearly annotated by the adoption of the federal codes in the bill.

This bill as well as the Senate bill cross-filed with it, infringes on a person's property rights that are protected in the Constitution of the US as well as in the Maryland Constitution making property ownership of the future too costly for features that should be optional to the property owner and making the property ownership too expensive and burdensome for the citizen.

Making property ownership so expensive the lower class or others cannot afford is discrimination and an infringement on the property rights protected by the both the federal Constitution and the Maryland Constitution Article 24.

The purpose of government is to protect the rights of the citizens, not to mandate them away.

100% OPPOSE this bill and ask an unfavorable report as it is unconstitutional.

Thank you.

Nelda Fink

HB 1279 - Chesapeake Utilities_Unfav (03-04-23) (F Uploaded by: Steve Baccino

Position: UNF



March 6, 2024

HOUSE ENVIRONMENT & TRANSPORTATION COMMITTEE HB 1279 – Maryland Building Performance Standards – Fossil Fuel Use and Electric-Ready Standards

Statement in Opposition

Chesapeake Utilities Corporation ("Chesapeake Utilities") respectfully <u>OPPOSES</u> certain provisions contained in HB 1279. Among other things, HB 1279 seeks to ban a proven, affordable, reliable and domestic energy supply for all new buildings on or before October 1, 2026, for all new buildings less than seven stories tall and on or before October 1, 2030, for all new buildings seven or more stories tall. In addition, HB 1279 requires the Department of Labor to adopt the ban on fossil fuel use in new buildings by January 1, 2025.

Chesapeake Utilities operates natural gas local distribution companies that serve approximately 32,000 customers on Maryland's Eastern Shore in Caroline, Cecil, Dorchester, Somerset, Wicomico, and Worcester Counties. These public utilities are regulated by the Maryland Public Service Commission and have provided in the coldest months of the year safe, reliable, resilient, and affordable service in the State for decades. As a company, Chesapeake Utilities serves as a positive and informed resource in the ongoing energy and climate change discussions. Moreover, Chesapeake Utilities is committed to continuing being part of the solution as Maryland addresses greenhouse gas emissions.

<u>HB 1279 is expressly designed to artificially increase costs for existing gas customers</u>. When gas companies add new customers, their fixed costs are spread over a larger customer base (keeping costs down for all customers). HB 1279 intends to cut-off the ability of gas companies to add new customers, causing existing customers to pay more and more for their service – this is referred to as a rate "death sprial." This unprecedented and unchecked rate inflation will continue until existing customers can no longer afford to maintain their service. Of course, remaining natural gas customers especially those who happen to be low and middle-income will be the most adversely impacted due to these artificially created costs increases.

HB 1279 will significantly increase costs for owners of new buildings and existing gas customers. According to the Maryland Commission on Climate Change ("MCCC"), direct use emissions from all current buildings account for only 13% of economy-wide greenhouse gas ("GHG") emissions in Maryland.¹ These current emissions have decreased (and will continue to decrease) from historical levels because of natural gas. HB 1279 would impose significant costs on the construction of all new buildings to be built to be electric ready. In addition, regardless of whether the new building will be permitted to use fossil fuels or not, as the buildings eligible for a waiver under the new Building Performance Standards (the "Standards"), must still be

¹ See E3's Maryland Building Decarbonization Study, September 16, 2021, at 5



constructed to be all electric ready. The types of buildings described in HB 1279 that cannot feasibly use energy generated from a source other than fossil fuels such as commercial food establishments, laboratories, laundromats, hospitals, or crematoriums must still incur construction costs to be all electric ready under the proposed Standards.

HB 1279 unnecessarily eliminates an energy option that Maryland customers want. Approximately 1.3 million households and businesses in Maryland use gas. The number of gas customers (both the number of residential customers and the total number of customers from all rate classes) grew at approximately one percent per year from 2014 through 2022. In 2022, Maryland's customers purchased about 168 million dekatherms of gas. Between 2014 and 2022, the total amount of gas purchased by Maryland customers grew by an average of 0.52 percent per year. This increase in total gas purchases is consistent with the fact that the number of gas customers is growing. However, it is important to note gas purchases are rising more slowly than the number of customers. Accordingly, gas usage per gas customer is *declining* slightly. For example, for the three largest gas utilities in Maryland, Baltimore Gas & Electric, Washington Gas, and Columbia MD, average residential throughput has decreased by 4.15 percent since 2014. The fact that the number of gas customers is increasing, but their average gas usage is declining can be explained by energy efficiency (e.g., more efficient appliances or improved insulation in buildings) and conservation efforts by customers (e.g., using a programmable thermostat). The data is clear, an increased number of Maryland residents continue to choose natural gas, purchase energy efficient appliances and adjust behaviors to conserve energy. We respectfully suggest that the State should not prohibit the use a proven and affordable energy resource.

HB 1279 compromises Maryland's electric grid and fails to recognize alternatives. Today, Maryland building owners who live in areas served by fossil fuels, such as natural gas and propane, can choose to use the fuels or not. However, HB 1279 assumes that forcing electrification on all new buildings is the right choice for Maryland to lower its GHG emissions. On the contrary, the fact that natural gas and propane have been replacing the use of dirtier fuels, such as fuel oils, is a primary driver of lower emissions from the residential and commercial building sector.

Also, banning and reducing the use of fossil fuels will significantly increase the amount of electricity required to be delivered to Maryland customers. Delivering this increased amount for electricity into Maryland will require billions of dollars of annual investments in the State's electric transmission and distribution system. Electric transmission and distribution system planning is a complicated and time-consuming process, as it should be. It can take years to obtain the regulatory and federal/state/local permit approvals necessary to construct electric transmission lines, substations, and related facilities. HB 1279 would significantly increase the demand for electricity in Maryland, especially if multiple, large counties implement fossil fuel bans on all new buildings.



HB 1279 may be preempted by federal law. The Energy Policy and Conservation ACT (EPCA) preempts state regulations or laws that effectively ban EPCA-regulated products from accessing necessary energy sources. The State should reconsider its approach to ensure alignment with the Energy Policy and Conservation Act, foster consumer choice, and preserve access to today's cost-effective technologies and options and future emerging renewable technologies.

<u>HB 1279 will negatively impact emerging renewable technologies</u>. The development of, and transition to, emerging renewable technologies such as renewable natural gas and hydrogen, to offset "traditional" natural gas, are a way to lower GHG emissions. Chesapeake Utilities currently owns a Maryland company, Planet Found Energy Development, that is developing a process to turn chicken litter into organic fertilizer and renewable natural gas (RNG), also referred to as biomethane or biogas. RNG is a fossil-free natural gas that is produced from naturally occurring sources such as food waste, manure, and other animal/plant-base materials to create biogas. The biogas is upgraded and cleaned to a quality similar to traditional natural gas and can be injected into a public utility's natural gas distribution system to offset the use of traditional natural gas. RNG can be used just like natural gas and is clean, reliable, and environmentally friendly and can also be used as a transportation fuel for vehicles. In addition, Chesapeake Utilities also recently completed a successful test that blended hydrogen with a gas supply to power a combined heat and power unit. The State should not discourage the use of these emerging renewable technologies that have been proven effective here and in other states to offset greenhouse gas emissions.

On behalf of Chesapeake Utilities Corporation, and our thousands of employees and their families who contribute every day in the communities where they live, work and serve, we respectfully request an unfavorable vote on HB 1279.

Sincerely,

Chesapeake Utilities Corporation Steve Baccino, Governmental Affairs Director Contact: sbaccino@chpk.com

HB1279.pdf Uploaded by: Suzanne Price Position: UNF

HB1279 is more unsustainable and unaffordable climate \$\$\$ hustling that no one but the WEF is asking for. SAY no to draining Maryland and her citizens of this unsustainable and dishonest money hustle. Who do these Representatives really work for? It surely is not their constituents. Remember that every time one of us speaks out we represent a 1,000 who haven't yet.

Suzanne Price AACo, MD

HB 1279 _realtors_unf.pdf Uploaded by: William Castelli

Position: UNF



House Bill 1279 – Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

Position: Unfavorable

The Maryland REALTORS[®] oppose HB 1279 which requires new buildings to meet all water and space heating demands without the use of fossil fuels by October 1, 2025.

The REALTORS® have concern over the following provisions:

- The change to non-fossil fuel equipment kicks in upon a significant improvement (50% of the replacement cost or the original structure) which appears to require the building to meet "all" water and space heating demands and not just the addition or new construction. This can add significant costs particularly if existing equipment must be replaced. The improvement has some exceptions but would apply to any addition and repair unless the repair corrects existing health or a safety code violation.
- The bill also requires all new one and two-family homes to have one EV-ready or capable space regardless of whether the new buyer has requested it.
- The solar ready requirement for roofs adds additional costs to multi-unit buildings that already face many requirements making it difficult to construct affordable units.
- The bill requires new buildings to meet all water and space heating demands "without the use of fossil fuels" which raises the question of whether electric equipment powered by fossil fuel utilities would be acceptable.

The Maryland REALTORS[®] recognizes that the housing industry along with other industries will be moving to electric standards but is concerned about the time frames and requirements in this bill that will impact housing affordability. For these reasons, the Maryland REALTORS[®] recommend an unfavorable report.

For more information contact lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org



HB 1279 - Better Buildings Act - LOI (final).pdf Uploaded by: Steven Chen

Position: INFO



March 6, 2024

To: The Honorable Marc Korman, Chair, House Environment and Transportation Committee

Re: Letter of Information- House Bill 1279 - Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric – and Solar–Ready Standards (Better Buildings Act of 2024)

Dear Chair Feldman:

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment on House Bill 1279. Maryland hospitals are concerned with the negative health consequences caused by climate change and support the intent of the bill. However, the bill encroaches on existing legislation, and if enacted, may create conflicting requirements.

The Climate Solutions Now Act of 2022 was an ambitious attempt to reduce statewide greenhouse gas (GHG) emissions and address climate change. This recent legislation aimed to achieve net-zero statewide GHG emissions through numerous mechanisms, including through the establishment of building emission standards and energy use intensity levels. The Department of the Environment (MDE) has only recently proposed regulations to implement the new building energy performance standards, and as of writing the final regulations are pending.

Similar to the Climate Solutions Now Act, the Better Buildings Act also includes building standards and building site energy use levels. These additional proposals may overlap with existing requirements and create conflicting obligations that undermine the goals of existing statutes. The aims of the Climate Solutions Now Act may be better served by giving agencies the necessary time to develop and implement their mandates before introducing additional legislation in rapid succession.

For more information, please contact: Steven Chen, Director, Policy Schen@mhaonline.org