

SB0256 - Building Energy Performance Standards - Compliance and Reporting<br/>Hearing Date:February 13, 2025Sponsor:Chair, Education, Energy, and the Environment CommitteeCommittee:Education, Energy, and the EnvironmentSubmitting:Liz Feighner for HoCo Climate ActionPosition: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 Legislative Coalition</u>.

We urge you to **vote favorably on SB0256 without weakening amendments** to this Building Energy Performance Standards (BEPS) bill which would make adjustments to BEPS, passed in 2022 as part of the Climate Solution Now Act, to help with implementation, while maintaining the core tenants of BEPS.

SB0256 effectively makes it easier for some buildings to comply with BEPS while maintaining the climate and health benefits of the program. The Maryland Department of the Environment has done great work to engage with building owners and other stakeholders to design this policy. HB0049 increases MDE's administrative capacity to support building owners, gives some flexibility to building owners who need it, and sets upper limits on how much any building owner will be required to pay. These measures improve the BEPS policy and we urge a favorable report.

We urge you to refrain from amending the bill and to respect these four redlines:

- Protect Emission Reduction Requirements Building emission requirements are the foundation of BEPS and should not be weakened. Under current law, buildings 35,000 square feet and larger must benchmark their energy performance and report it to MDE. By 2030, these buildings must emit 20% fewer emissions than the average building of its type and have net zero direct greenhouse gas emissions by 2040. This means that high performing buildings are already in compliance with the 2030 standards, but other buildings have more work to do.
- 2. Protect Energy Use Intensity Standard Energy Use Intensity (EUI) is the total energy consumed by a building in one year (gas and/or electric) divided by the size of the building (total gross floor area). Buildings with lower energy use per area have lower EUI (think measure of energy efficiency). We want efficient buildings that also reduce greenhouse gas emissions. Having an EUI Standard ensures that buildings will use efficient heat pumps rather than energy-hog resistance heating, which will also lower bills and reduce energy demand on the grid.

- 3. Do Not Exempt Certain Types of Buildings No entire category of building, such as multifamily buildings, should be exempted from BEPS. The Alternative Compliance Payment sets an upper limit on how much any building owner will have to pay if they don't meet the targets. Any needed exceptions or adjustments should be made on a building-by-building basis through an application process to MDE rather than for a class of building types.
- 4. No Credits for Offsite Renewables Buildings should not be allowed to "offset" their onsite emissions by buying credits from offsite renewable energy. The point of BEPS is to lower energy use in buildings. A work-around such as buying offsite renewable energy credits undermines the goals of BEPS and should not be allowed.

We urge you to **support SB0256 without weakening amendments** and request a FAVORABLE report in committee.

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