SB804 - SUPPORT
Rev. Dellyne Hinton
Central Maryland Ecumenical Council



SB804- Better Buildings Act Education, Energy and the Environment Committee

February 27th, 2025

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

I am Rev. Dellyne Hinton, Chair of Central Maryland Ecumenical Council and lead pastor of the North West Baltimore Cooperative Parish of the United Methodist Church.

I urge a favorable report on the Better Buildings Act – and no one paid me to say that.

I shouldn't have to assure you I'm speaking my own mind as a leader in my own community, but in the hearings on this bill, in this committee, I'm afraid it needs to be said!

Last year, a retired Ravens player flew here from Texas to host a reception for legislators and <u>submit testimony</u> <u>against</u> the Better Buildings Act, claiming he was doing so out of concern for "the struggles of the Black community" in Baltimore.

And then I <u>read in the Washington Post</u> last month that that man's organization and his testimony were all a front for the Consumer Energy Alliance, a consortium of oil companies and gas utilities. (I don't know if he's back this year. I came to make sure he did not try to speak for me. I've submitted the article from the *Post* with my testimony.)

I don't need anyone to speak on my behalf. And I certainly don't appreciate anyone taking fossil fuel money to say that gas-burning indoors is somehow beneficial to the Black communities I pastor in Baltimore.

I know burning gas in our buildings is dangerous from personal experience, because a few years ago, the furnace went up in our home. We had a repair person to correct the situation during normal business hours. This was during the Thanksgiving season. At a little after 10 pm, my son and I heard a loud boom. And our home shook. We both jumped from our beds and looked for the source. It took us a few minutes to determine that it was our furnace that had exploded. We could smell gas coming up from our basement. We gathered our important papers and items and went to our cars to call for help.

We were lucky. The coupling was not attached appropriately. We were not able to return to our home for several hours. We were lucky our home was not destroyed. We were lucky. We were not physically harmed. We were harmed in our sense of security, and emotional stability, lack of sleep, and increase in our anxiety.

But after the terror of being awakened from sleep in our beds and driven out of our house by a gas burning appliance exploding in my own home, no one - no one could pay me any amount of money to perpetuate gas-burning in our buildings when there are so many better alternatives.

I am only one of the many real Marylanders of all faiths and many backgrounds who have come to understand that burning gas indoors is harmful to us, to our climate, and to all that has breath. Converting existing

infrastructure like the furnace in my house is one thing; but surely we can all agree that there's no good reason to build a gas-burning building in Maryland ever again. That's why grassroots coalitions including churches like mine helped pass an all-electric building code bill already in Montgomery County, and why similar legislation is in process in Howard County and going to be introduced soon in Baltimore City.

Today, we can build better buildings than we did in the past: all-electric heat pumps and heat pump water heaters 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. The only folks they're not better for is those who wish to keep selling us fuel to burn; but from now on I hope you'll know when they say that, they are speaking only for themselves.

Now that we know better, state law should require that we do better. I urge a favorable report on SB804.

## This group says natural gas bans hurt minorities. It has gas industry ties.

The Energy Poverty Awareness Center, which fought climate legislation in Maryland, has ties to a group that is partly funded by oil and gas companies.

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When Maryland state lawmakers proposed a major climate bill last year, they faced opposition from a surprising figure: ex-NFL player Gary Baxter.

The former Baltimore Ravens cornerback argued that the measure, which would have banned the use of natural gas furnaces and water heaters in new buildings statewide, would raise energy costs for Black households. "Affordable energy is vital for communities of color," Baxter wrote in <u>testimony</u> on behalf of the Energy Poverty Awareness Center (EnPAC), an advocacy group he leads.

What Baxter didn't mention is that his group has ties to the natural gas industry, according to documents reviewed by The Washington Post. Consumer Energy Alliance, a Houston-based organization that is partly funded by gas utilities and other fossil fuel companies, helped launch EnPAC and shape its initial agenda.

Consumer Energy Alliance has also supported the National Hispanic Energy Council, which has asserted that gas projects help lower energy bills for Hispanic households, according to the documents. The materials were obtained via a public records request by the Energy and Policy Institute, an investigative research organization that <u>says</u> it works "to expose attacks on renewable energy and counter misinformation by fossil fuel and utility interests."

The findings show how the fossil fuel industry has relied on advocacy groups to persuade policymakers nationwide that its products benefit communities of color. Critics say these efforts come even though Black, Hispanic and Asian Americans are <u>disproportionately exposed to deadly air pollution</u> caused by the burning of fossil fuels, which also is driving climate change.

"The documents reveal how oil, gas and utility companies — through their membership in Consumer Energy Alliance — cynically claim to represent the interests of structurally disadvantaged communities," said Itai Vardi, a research and communications manager at the Energy and Policy Institute. "But in reality they use these front groups as a way to obscure the harms this industry causes these communities through increasing pollution and exacerbating climate change, which hits disadvantaged people the hardest."

Asked for comment, CEA spokesman Bryson Hull confirmed that his group helped launch EnPAC but said it was a "normal practice."

"CEA was introduced to EnPAC representatives in 2022, and, recognizing the need for energy policy discussions in Black communities, offered to assist getting the organization off the ground," Hull said in an email. "CEA did provide sponsorship support for a reception in Annapolis in early 2024. CEA and EnPAC have not worked together in almost eight months."

He added: "This is literally a dog bites man story, and a blatant attempt to generate a headline about something that happens every day in advocacy."

Democratic-leaning states have advanced more aggressive climate policies for years, including recent efforts to cut off gas supplies to new buildings as a way to speed the transition to clean electricity. The gas industry has responded by <a href="https://doi.org/10.2016/jib.com/hiring-democrats-and-other-advocates">hiring Democrats and other advocates</a> who are better positioned to appeal to liberal voters. Skirmishes on the state level will play an outsize role in shaping the nation's future energy trajectory once President-elect <a href="https://doi.org/10.2016/jib.com/hiring-democrats-and-other-advocates">Donald Trump</a> is back in the White House, where he has pledged to reverse many of President Joe Biden's policies aimed at shifting the country away from oil, gas and coal.

The recent fight in Maryland exemplifies the push and pull over how quickly the transition to clean energy should happen.

After a knee injury ended his six-season NFL career in 2008, Baxter returned to his hometown of Tyler, Texas, where he owned several fast-food restaurants, and then founded EnPAC in February 2022. But the group didn't officially launch until January 2024, when CEA began publicizing its efforts, the documents show.

"FYI ... the African American org officially launched last week. More to come. Thoughts/Ideas welcome," David Holt, CEA's president, wrote in an email that month to CEA's board of directors.

CEA helped arrange EnPAC's early focus on Maryland last January, organizing a reception with Baxter at an Annapolis hotel and inviting key state lawmakers, according to an <u>internal memo</u>.

"Gary spoke at length with Delegate Regina Boyce at the reception," the memo says, referring to the vice chair of the House Environment and Transportation Committee. "She's the most important House Member for our cause."

CEA also sent a <u>press release</u> about EnPAC's launch "to local media and to trade media inside The Beltway," the memo says. The release listed CEA's director of media and public relations as the press contact.

A few months later, CEA held a board meeting at a restaurant in downtown Washington where the agenda items included "NHEC & EnPAC Reports — Expanding outreach to Minorities," according to the documents.

The National Hispanic Energy Council has disclosed its ties to CEA, saying on its <u>website</u> that it "will work in coordination with Consumer Energy Alliance, a leading energy and environmental advocate." EnPAC doesn't mention CEA on its <u>website</u> or in other public materials.

Asked for comment, Baxter said in an email that while he welcomes working with fossil fuel firms, they have not dictated his group's agenda.

"EnPAC is a standalone independent organization founded by me and is NOT a front for any fossil fuel companies," Baxter said. "With that being said, EnPAC looks forward to working with more fossil fuel companies and any green energy companies that can show reliable and affordable energy to the American people, especially the minority communities."

CEA does not publicize its funding sources. But the majority of its dues-paying members are oil companies, gas utilities and other firms that profit from fossil fuels, according to its public <u>membership list</u>. They include oil giant ExxonMobil and Maryland gas provider Chesapeake Utilities Corp.

CEA also shares most of its staff and revenue with the Houston-based public relations firm HBW Resources, whose clients include oil and gas interests, according to <u>tax filings</u> and <u>lobbying disclosure forms</u>. In addition to leading CEA, Holt serves as managing partner of HBW Resources.

"Consumer Energy Alliance is exactly what it says it is — an alliance that advocates for reliable, affordable and cleaner policies, using all forms of energy," Holt said in an email. "If we can provide our energy policy expertise to other groups, we will jump at every opportunity to broaden the conversation we're having."

EnPAC's connection to CEA isn't its only tie to the fossil fuel industry. Airika Brunson, vice president of EnPAC, is an official at American Fuel and Petrochemical Manufacturers, a trade group for oil refiners. Lance Shepherd, a board member of EnPAC, works at pipeline company Enable Midstream Partners.

The connection between energy companies and advocacy groups for minority communities dates back nearly two decades. From 2005 to 2015, Exxon contributed more than \$800,000 to the National Black Chamber of Commerce, which waged a battle against a landmark 2009 climate bill and President Barack Obama's <u>Clean Power Plan</u> on the grounds that they would harm minorities by slowing job growth.

More recently, a group called Western States and Tribal Nations has argued that fossil fuel projects in Baja California would help Indigenous communities there. The group is run by HBW Resources, and <u>its main financial backers</u> are county governments and fossil fuel companies, including a gas utility building a facility in Baja.

## Fight over the future of gas

Climate activists nationwide have pushed to ban fossil fuel use in the buildings sector, which accounts for roughly a third of total U.S. greenhouse gas emissions.

In Maryland, which has set a goal of net-zero emissions by 2045, the Better Buildings Act ultimately did not pass either chamber of the legislature last year. If enacted, it would have required all new buildings and major renovations in the state to meet their heating needs without the use of fossil fuels.

In practice, the bill would have prevented new homes from being built with gas furnaces and gas water heaters. These homes would have needed to use greener alternatives such as electric heat pumps and electric water heaters.

The measure would not have affected the state's nearly 2.6 million existing housing units. It also would not have restricted other appliances such as gas stoves, which have recently emerged as a <u>flash point in the nation's culture</u> wars.

In his testimony sent to state lawmakers, however, Baxter wrote that the bill could force Black households in Baltimore to spend tens of thousands of dollars on a host of new green technologies.

"While I am not from Baltimore, I spent a significant number of formative years in the city and have paid witness to the struggles of the Black community," Baxter wrote. "... Requiring the replacement of just four major gas appliances like water heaters, furnaces, stoves, and dryers could top out at more than \$26,884 for a Baltimore household."

Baxter added that Black families spend a significantly larger portion of their income on energy costs than White families do. The bill, he concluded, would raise costs for "communities that can least afford it."

Experts and advocates who spoke to The Post said Baxter's claims were misleading because the bill wouldn't affect existing homes or appliances such as stoves. They also noted that in most cases, it is cheaper to heat a home in Maryland with heat pumps than with gas furnaces. That is because <a href="heat pumps are much more efficient">heat pumps are much more efficient</a> than gas furnaces, producing about three times as much energy as they consume. (Baxter didn't respond to follow-up requests for comment on the experts' statements.)

"If lower-income households in Maryland are able to switch to heat pump technology, they will benefit from lower energy bills based on my simulations," said Yueming Qiu, a professor at the University of Maryland who studies consumer adoption of climate-friendly technologies.

At the same time, experts said, Baxter's testimony touched on some real trade-offs inherent in the nation's energy transition. Research does show that African Americans <u>bear a higher energy burden</u> because they are more likely to be lower-income and to live in older, less energy-efficient homes.

<u>Studies</u> also show that minority households are less likely to adopt heat pumps and other green technologies, in part because of the higher up-front costs. But these costs can be offset by the generous rebates offered by the federal government and many states, including Maryland, Qiu said.

Richard Painter, who served as the chief White House ethics lawyer under President George W. Bush, called it "ethically problematic" that Baxter didn't mention his ties to the gas industry in his testimony. But he said Baxter's conduct probably didn't violate Maryland's ethics law, which doesn't mandate such disclosures.

Chesapeake Utilities also submitted testimony opposing the legislation and raising similar cost concerns.

"In essence, Chesapeake received indirect lobbying services from CEA — in this case via Gary Baxter's EnPAC — in exchange for its membership in CEA," Vardi said. "This is what makes CEA so misleading and a clear front for the fossil fuel industry: It does lobbying that serves its members without having to register as a lobbyist."

A Chesapeake Utilities spokesman did not address questions about CEA when asked, saying that while the utility supports the "journey to a lower-carbon future," the bill would have imposed "extraordinary costs" on consumers and businesses.

In 2023, New York became the first state to pass a law banning all gas use in most new buildings. California also has updated its building code to encourage electrification. Maryland Del. Terri L. Hill (D-Howard), who supported the Better Buildings Act, said that given the climate policy's progress in other states, "I expect that it will come back" in Maryland.

## What readers are saying

The comments reflect skepticism towards advocacy groups like the Energy Poverty Awareness Center, suggesting they may serve as fronts for fossil fuel interests to undermine renewable energy initiatives. Some commenters argue that banning natural gas could disproportionately... Show more

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