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TO: House Environment & Transportation Committee

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: February 26, 2025

RE: HOUSE BILL 973 – Maryland Building Performance Standards - Fossil Fuel Use, Energy

Conservation, and Electric- and Solar-Ready Standards

On behalf of Maryland's energy marketers, MAPDA urges the committee to issue an unfavorable report on HB973.

This bill requires the Maryland Department of Labor (MDL) by October 1, 2025, to adopt, as part of the Maryland Building Performance Standards (MBPS), a requirement that new buildings and significant improvements meet all laundry, water, and space heating demands without the use of fossil fuels.

MAPDA members provide a required and necessary energy, directly and as a backup source, to key institutions like colleges, schools, hospitals, farms, military bases, and more. They are often small and family-owned businesses employing hundreds of Marylanders and supplying thousands of customers with the fuel that keeps them warm, fed, and on the road.

Maintaining a diverse energy portfolio as Maryland currently does is both safe and economical for our state's residents and businesses. Forcing the electrification of the state's building stock places further strain on Maryland's grid at a time it least can afford to do so. Capacity issues continue to cause concern. Adding more demand as HB973 would do is ill advised.

This bill would also stifle future advancements in our industry in the field of bio- and renewable fuels, for example. Our industry continues to reduce its greenhouse gas emissions. Bio- and renewable fuels offer economical, "drop-in" alternatives to traditional heating oil.

Fuel switching to electricity has other embedded costs outside of the fact it costs more per unit of energy (P.2, Table 1). Purchasing and installing new appliances and the necessary onsite electrical upgrades all add to the costs borne by consumers and customers. They are best served through choice and competition.

For these reasons, MAPDA respectfully requests an unfavorable committee report on HB973.

Feeding and fueling the economy through gas, coffee, food, heating oil and propane.

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.