

April 1, 2021

Honorable Chair Dereck Davis Honorable Vice-Chair Kathleen Dumais Maryland State House, Annapolis MD

## **RE: SB0418 Energy and Water Efficiency Standards**

Dear Delegate Davis, Delegate Dumais, and Honorable Members of the Committee:

Please accept this testimony on behalf of the Appliance Standards Awareness Project (ASAP) regarding SB0418. **ASAP supports SB0418** as amended.

ASAP is a coalition project that includes representatives from energy efficiency, consumer and environmental advocacy groups, state government, and utilities. ASAP works to advance cost-effective appliance standards at both the national and state level.

Our organization, along with the American Council for an Energy-Efficient Economy (ACEEE), published *States Go First:* a 2017 report on state appliance standards which forms the basis for many of the product standards in this bill<sup>1</sup>. We also update and publish state-by-state savings analyses annually. We would be happy to provide additional information about the products, standards, and analysis as requested.

Appliance standards have been called the best climate and energy policy that you've never heard of because of their strong impact and low profile. Most people are unaware that <u>federal</u> efficiency standards are already savings Maryland consumers and businesses over <u>\$500 a year</u> in lower utility bills.<sup>2</sup> Adopting the <u>state</u> efficiency standards in SB0418 would add to the savings and further reduce energy and water waste and lower consumer utility bills.

## **FACTS ABOUT STANDARDS IN SB4180;** The standards included in the bill are:

- Very cost effective to buyers and users Most of the products in the bill have NO incremental cost
  so consumers start saving right away. For others, utility bill savings pay back the incremental cost of
  products meeting the standards within one year. For example, a consumer purchasing an air purifier
  meeting the standards compared to one that does not would save about \$30 a year or \$270 over
  the life of the product.
- **Readily available** Products and technologies meeting the standards are readily available today from multiple manufacturers.
- **Provide significant energy savings statewide** the standards make a meaningful contribution to meeting the state's energy, water, and climate needs.

<sup>&</sup>lt;sup>1</sup> 2017 ASAP/ACEEE report: <u>States Go First: How States Can Save consumers Money, Reduce Energy and Water</u> Waste, and Protect the Environment with New Appliance Standards.

<sup>&</sup>lt;sup>2</sup> From the 2017 ASAP/ACEEE White Paper, <u>Energy Saving States of America: How Every State Benefits from National Appliance Standards.</u>



#### MARYLAND HAS A HISTORY OF LEADERSHIP ON APPLIANCE STANDARDS

In 2004, and again in 2007 (with Senator Pinsky as sponsor), Maryland was one of the first states after California to adopt efficiency standards for about 15 products. Most of the products in those bills became part of national standards legislation in 2007, leading to massive energy and dollar savings and  $CO_2$  reductions nationwide. We are currently at a critical point where states can have a big impact, particularly with the U.S. Department of Energy playing catch-up on federal standards after years of delays and rollbacks. Maryland can take the lead in the mid-Atlantic region with this latest package of state standards.

# OTHER STATES ARE ACTING; MARYLAND MAY BE LEFT BEHIND.

While Maryland has a strong history of acting on appliance standards, it could potentially be left behind as other states act. Colorado, Hawaii, Massachusetts, Nevada, New York, Vermont, Washington, and Washington D.C. have adopted appliance standards. Regionally, Connecticut, Maine, Pennsylvania, and Rhode Island have filed efficiency standards bills in 2021.

## SB0418 WOULD SAVE MONEY, ENERGY, AND WATER AND REDUCE GREENHOUSE GASES

The bill would set minimum energy and water efficiency standards for 11 common household and commercial appliances. If adopted, the standards could save Maryland residents and businesses more than \$70 million on utility bills in 2025. As more and more consumers purchase products compliant with state efficiency standards, annual savings would grow, reaching nearly \$330 million in 2035. In 2025, standards would save enough electricity in that one year to power 10,000 households and reduce CO<sub>2</sub> emissions by 55,000 metric tons or the equivalent of taking 12,000 cars off the road for a year.

#### STANDARDS ARE A COST-EFFECTIVE WAY TO ACHIEVE STATE GOALS

Adopting efficiency standards is a low-cost way for Maryland to cut energy and water waste, reduce utility bills and reduce greenhouse gases – the latter helping Maryland meet their Greenhouse Gas Emissions Reductions Act goals.

## **COMPLIANCE DATE NEARLY TWO YEARS AWAY**

If adopted, the standards will go into effect on January 1, 2023. Distributors and retailers will have more than 18 months to sell noncompliant products before the standards take effect.

We would be happy to provide further information, answer questions about appliance standards, or provide technical assistance should such need arise.

Sincerely,

Marianne DiMascio, State Policy Manager Appliance Standards Awareness Project

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<sup>&</sup>lt;sup>3</sup> Ibid.