



Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, House Economic Matters Committee Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: SB0418 – Maryland Energy Administration – Energy and Water Efficiency Standards – Alterations
DATE: April 1, 2021

MEA POSITION: FAV

Senate Bill 418 continues Maryland's efforts to implement appliance efficiency requirements that reduce energy use, minimize adverse climate and environmental impacts, and ultimately save consumers money.

States are generally preempted from establishing state energy-efficiency standards for products that are covered by federal standards.¹ However, states are permitted to establish energy efficiency for products that are *not* covered by the federal appliance standards program. At least 18 states have enacted appliance standards at various times.² The District of Columbia recently adopted efficiency standards similar to those proposed in SB 418.

The proposed legislation, as amended by the Senate, requires MEA to adopt specific energy efficiency standards for 11 appliances, and permits MEA to adopt regulations for two additional technologies. The bill also requires MEA to review standards and permits MEA to update those standards through regulation.

If enacted, this bill will result in over 4,000 gigawatt hours (GWh) of electricity savings (1 GWh = 1,000 megawatt hours), 158 million gallons of water savings, and over 2,235 thousand metric tons of carbon dioxide savings.

MEA has gone to some lengths to limit the scope of this bill so that it minimizes any potential negative effects on economic growth and investment. MEA is offering the attached amendments (*see page 3*) to further incorporate the input it has received from industry partners, while maintaining significant savings requirements.

The amendments adopted by the Senate satisfied recommendations previously made by MEA. For these reasons, MEA asks the Committee for a **favorable report**.

¹ nrdc.org/experts/lauren-urbanek/states-step-progress-efficiency-standards

² database.aceee.org/state/appliance-standards-summary