

**Committee:** Finance

Testimony on: SB462 - "Public Utilities – Low-Income Housing –

**Energy Performance Targets**"

Organization: MLC Climate Justice Wing

Person

**Submitting:** Diana Younts, co-chair

**Position:** Favorable

Hearing Date: February 16, 2021

Dear M. Chair and Committee Members,

Thank you for allowing our testimony today in support of SB462. MLC's Climate Justice Wing is a statewide coalition of over 50 grassroots and grasstops organizations focused on climate justice.

Energy efficiency is a proven, cost-effective way to both lower the cost of energy and reduce carbon emissions. Since 2008, when the EmPOWER program was first enacted with a goal of reducing electricity usage by 15 percent by 2015, Maryland has benefited from a performance-target-driven energy efficiency portfolio.

One thing we have learned though, is energy efficiency is easiest to address in newer homes and buildings. This means a large portion of residential building in Maryland are being left behind.

Low-income households in particular face more barriers to address energy efficiency because they must first address health and safety issues, including mold, lead and others, because they tend to live in older buildings. As a result, because energy is a regressive cost, low-income households in Maryland dedicate 13% of their annual incomes to energy costs and pay 550% more as a percent of income than non low-income households. The majority of these (55%) are Black, Hispanic, or Asian households. Because of these and other barriers it is more difficult for low-income households to benefit from the EmPOWER program, as compared to high-income households.

The legislature now has an opportunity to fix this, by codifying a complementary performance driven goal for low-income housing. This new, commonsense 1% energy savings goal will allow Maryland to retrofit the 450,000 eligible low-income residents in just

13 years as opposed to 130 years projected under the current program. Lessons learned from the rest of the portfolio, and from energy efficiency resource standards such as EmPOWER Maryland generally, show that they benefit from specific performance targets. Electric utilities under Maryland's portfolio are performance-driven, thanks to the initial 15 percent by 2015 target and the current 2% target. There are no such performance goals for low-income households under programs administered by the Department of Housing and Community Development has no such performance goal. Now is the time to rectify that.

Energy efficiency has already saved Maryland consumers billions of dollars, reduced air pollution and created new economic activity including good jobs. A performance goal for low-income programs is overdue.

For these reasons we urge you to vote favorably for SB462.

## **MLC Climate Justice Wing:**

Maryland Legislative Coalition

MD Campaign for Environmental Human Rights

Chesapeake Climate Action Network

WISE

Frack Free Frostburg

Mountain Maryland Movement

Clean Water Action

Maryland Sierra Club

Howard County Indivisible

Howard County Sierra Club

Columbia Association Climate change and

sustainability advisory committee

**HoCo Climate Action** 

CHEER

Climate XChange - Maryland

Mid-Atlantic Field Representative/

**National Parks Conservation Association** 

350 Montgomery County

Glen Echo Heights Mobilization

The Climate Mobilization Montgomery County

Montgomery County Faith Alliance for

Climate Solutions

Montgomery Countryside Alliance

Takoma Park Mobilization Environment

Committee

**Audubon Naturalist Society** 

Cedar Lane Unitarian Universalist Church

Environmental Justice Ministry

Coalition For Smarter Growth

DoTheMostGood Montgomery County

MCPS Clean Energy Campaign

MoCo DCC

Potomac Conservancy

Casa de Maryland

Nuclear Information & Resource Service

Clean Air Prince Georges

Laurel Resist

**Greenbelt Climate Action Network** 

Maryland League of Conservation Voters

Unitarian Universalist Legislative

Ministry of Maryland

Concerned Citizens Against Industrial Cafos

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Poor Peoples Campaign

Labor for Sustainability

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