



SB179 – Energy Performance Contracts – Duration

Testimony before

Senate Budget & Taxation Committee

January 19, 2022

Position: Favorable

Mr. Chair, Mr. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in **support of SB179**, to extend the duration of Energy Saving Performance Contracts for state projects. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We appreciate the leadership of Chairman Guzzone for sponsoring this important legislation.

Energy Savings Performance Contracts are an important tool to build resilient infrastructure at our public buildings, while using the energy savings to pay for the upfront costs. This can include boiler/chiller plants, efficient lighting systems, onsite renewable generation, building controls, and many other upgrades. However, some of the upgrades have longer payback periods, for the particular energy conservation measure to recoup these costs. Extending the duration of these contract periods will allow for significant additional infrastructure to be built into these contracts, which in turn will increase economic activity, construction and design/engineering jobs, and the associated benefits to the environment and global warming.

This extended duration may also help to increase the uptake of newer building technologies, such as geothermal heat pump boiler/chiller units, and new types of building fenestration, helping to bring them to scale and reduce their costs.

For these reasons, we support the goals of SB179, as both good for the economy and for the environment. Thank you for your consideration of this important legislation.

We respectfully urge a favorable committee report.

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