



March 4, 2022

112 West Street  
Annapolis, MD 21401

**Oppose – House Bill 708  
Comprehensive Climate Solutions**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully oppose **House Bill 708 Comprehensive Climate Solutions**. House Bill 708 would require the State to achieve net zero statewide greenhouse gas (GHG) emissions by 2045. The bill also changes certain parameters in the utilities' energy efficiency programs beginning in 2024 and requires the Maryland Public Service Commission (PSC) to establish a process for electric and gas companies to develop transition plans to achieve near zero GHG emissions from the building sector.

As part of the Exelon family of companies, Pepco and Delmarva Power joined Exelon's ongoing commitment to protect the environment and take actions to address climate change through Exelon's Path to Clean. In 2021, Exelon announced a new goal targeting a reduction in GHG emissions of at least 50% below 2015 levels by 2030, and net zero emissions by 2050. At Pepco and Delmarva Power, we are working to align our operations, grid investments, and customer product offerings and services to advance Maryland's clean energy goals. This means reducing our own GHG emissions from operations on a trajectory that meets or exceeds the state's reductions goals and working to inform and advocate for policies and processes that enable further decarbonization. Additionally, we strive to support our customers and the larger community by providing the tools, programs such as EmPower and resources needed to enable the transition to a more equitable and inclusive clean energy future and greater resilience in the face of a changing climate. In order to drive down GHG emissions to the level necessary to avoid the worst impacts of climate change, actions must be taken to decarbonize all sectors of the economy, while advancing efficiency, resilience, equity, inclusion and innovation.

Pepco and Delmarva Power are supportive of efforts to decarbonize Maryland. House Bill 708 includes changes to energy efficiency programs that appear to remove a goal of incentivizing efficient energy use. Pepco and Delmarva support efficient use of energy and incentives that drive toward that result. Maryland has had great success in implementing these programs as a means to

drive down peak energy use and Pepco and Delmarva do not recommend eliminating that approach. In addition, Pepco and Delmarva Power note that the PSC is leading a workgroup to evaluate changes to the EmPower programs and House Bill 708 should not interfere with that process and the potential outcomes of it. That workgroup process has been the subject of deliberation and negotiation among a diverse set of stakeholders working collaboratively to modify EmPower to align with climate impact.

Finally, House Bill 708 creates a Just Transition Employment and Retraining Working Group (Working Group) that does not include representation for electric or gas companies. Pepco and Delmarva Power have extensive workforce development programs and can provide value to the discussion around programs that will develop or retrain workers for a decarbonized future. Pepco and Delmarva Power request that electric and gas company representation be included in the Working Group to ensure all relevant voices can join the discussion.

Pepco and Delmarva Power are committed to proactively addressing climate change through our Path to Clean and partnering with our key stakeholders, the communities we are privileged to serve, the State, the General Assembly, the PSC and others to create a cogent, integrated plan for decarbonization on a timeline that is achievable.

For the above reasons Pepco and Delmarva Power respectfully request an unfavorable vote on House Bill 708.

Contact:

Alexis Gallagher  
State Affairs Manager  
609-412-6345  
[Alexis.gallagher@exeloncorp.com](mailto:Alexis.gallagher@exeloncorp.com)

Katie Lanzarotto  
Senior Legislative Specialist  
202-428-1309  
[Kathryn.lanzarotto@exeloncorp.com](mailto:Kathryn.lanzarotto@exeloncorp.com)