



February 8, 2022

Chair C.T. Wilson  
Members of the Economic Matters Committee

Re: Earthjustice **support** of HB 108:  
Public Utilities - Energy Efficiency and Conservation Programs – Energy  
Performance Targets and Low-Income Housing

Earthjustice<sup>1</sup> strongly supports the passage of HB 108 and urges a favorable report by this Committee. HB 108 sets a modest target for reducing energy use in lower-income residential buildings through increased participation in energy efficiency programs.

HB 108 modifies the EmPOWER Maryland law<sup>2</sup> to establish a 1.0% savings goal for low-income customers served by the Department of Housing and Community Development. The Empower program, enacted in 2008 and modified in 2017, currently seeks an annual energy savings goal of 2.0% per year. HB 108 establishes the General Assembly's intent to include a targeted 1% annual energy savings goal for low-income households as part of Empower Maryland's energy savings objectives. HB 108 accounts for the unique challenges of low-income energy efficiency program delivery, facilitating EmPOWER Maryland's delivery of energy savings benefits to all Marylanders, including low-income populations.

Energy efficiency is a proven, cost-effective way to lower the cost of energy, improve health and reduce carbon emissions. Since 2008, when the EmPOWER program was first enacted, Maryland has benefited from a performance and target-driven energy efficiency portfolio. Energy efficiency saves homeowners, renters, and business owners money, creates jobs, and reduces our state's dependency on polluting power plants. In particular, energy efficiency mitigates the amount of electricity needed on peak power days, lessening the climate, air, and water pollution generated by fossil fuel plants that come online during very cold and very hot days. Thus, energy efficiency investments can lower household energy use and energy burdens over the long term while reducing carbon emissions, improving health and comfort, and creating local employment opportunities.

As noted above, Maryland currently has a nation-leading 2% per year electricity savings target through the EmPOWER Maryland program, which has been very effective. However, the benefits of this program are not distributed equitably.

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<sup>1</sup> Earthjustice is a non-profit public interest environmental law organization that represents other non-profits free of charge. Earthjustice uses the power of law and the strength of partnerships to advance clean energy, combat climate change, protect people's health and preserve magnificent places and wildlife.

<sup>2</sup> The 2008 EmPOWER Maryland Energy Efficiency Act.

Low-income residents are being left behind. High energy costs burden the lives of Maryland's low-income residents. As a percentage of income, they pay over five times more for energy than other Marylanders. Excess money spent on utility bills limits their ability to obtain other necessities, including food and medical care. Low-income residents high energy costs result, in significant part, from the fact that many low-income Marylanders live in housing that is energy inefficient. Low-income households often experience poor living conditions characterized by inadequate insulation, drafty windows, poor indoor air quality, and undependable HVAC systems.

For low-income families, energy efficiency and health outcomes are often intertwined. Low-income families may sacrifice nutrition, healthcare, and other necessities to avoid utility shutoffs. Many low-income homes also suffer from structural problems or health concerns such as mold, leaky roofs, or pests. These issues can exacerbate respiratory disease, heart disease, arthritis, and more, with households with children and elderly members particularly at risk. As a result, expanding efficiency programs that specifically account for the health and safety issues many low-income households face can create opportunities to provide energy savings while improving the health of vulnerable families.

At the current pace of energy efficiency actions taken by the Maryland Department of Housing & Community Development's Multifamily Energy Efficiency & Housing Affordability (MEEHA) program, the Low-Income Energy Efficiency Program (LIEEP) and electric and gas utility programs, it would take 130 years to reach all 450,000 income eligible households. So far, a mere 9% of eligible low-income Maryland households have received the energy efficiency assistance they sorely need.

Enacting HB 108 would be an important step in hastening the pace of providing energy efficiency assistance to low-income households because it would codify a complementary performance driven goal for low-income housing. HB 108 focuses resources on residents who will gain the greatest benefit from energy efficiency improvements. 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. Energy efficiency improvements also will provide non-energy benefits by improving housing conditions relating to indoor air quality, pest management, and fire safety.

EmPOWER Maryland, is one of the State's most important and successful energy and climate action programs. At the same time, however, much more needs to be done. One way in which the program has fallen short, and which this legislation would help address, is the failure to adequately remedy energy inefficiencies in low-income housing. 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.

Finally, Earthjustice thanks Delegate Charkoudian for her leadership on this important issue.

Thank you in advance for your support. Should you have any questions, please contact me at [smiller@earthjustice.org](mailto:smiller@earthjustice.org).

Respectfully submitted,

A handwritten signature in blue ink that reads "Susan Stevens Miller". The signature is written in a cursive style.

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Susan Stevens Miller  
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Earthjustice