



National
Consumer Law
Center

NATIONAL HEADQUARTERS
7 Winthrop Square, Boston, MA 02110
(617) 542-8010

WASHINGTON OFFICE
Spanogle Institute for Consumer Advocacy
1001 Connecticut Avenue, NW, Suite 510
Washington, DC 20036
(202) 452-6252

NCLC.ORG

Maryland House Economic Matters Committee
Hearing on **HB 108 – Public Utilities – Energy Efficiency and Conservation Programs –
Energy Performance Targets and Low-Income Housing**
Written Testimony of Olivia Wein, National Consumer Law Center
February 8, 2022

Position -- SUPPORT

Dear Chair Wilson, Vice Chair Crosby, and Members of the House Economic Matters Committee:

Thank you for holding this hearing on **HB 108 – Public Utilities – Energy Efficiency and Conservation Programs –Energy Performance Targets and Low-Income Housing**. My name is Olivia Wein, and I am a longtime resident of Montgomery County, Maryland and an attorney at the National Consumer Law Center, where I focus on energy and utility matters that affect consumers. The National Consumer Law Center or NCLC is a nonprofit organization that, since 1969, has used its expertise in consumer law and energy policy to work for consumer justice and economic security for low-income and other disadvantaged people. We submit this testimony on behalf of our low-income clients.

NCLC is a member of the Maryland Energy Efficiency Advocates and has been actively involved in increasing investment in energy efficiency for low-income consumers, particularly low-income residents of affordable multifamily housing. **HB 108 would place Maryland on a path to achieve 1% low-income energy efficiency savings by 2026 by establishing electricity consumption savings targets equal to at least 1% of annual low-income electricity demand by 2026 with an interim target of at least .4% by 2023.** HB 108 would also establish a Green

& Healthy Task Force, comprised of state agencies and key stakeholders that will develop a plan to improve all Maryland low-income housing conditions and energy efficiency. The 1% energy savings goal will help lower the energy bills for low-income Marylanders in all parts of the state -- from rural to urban, and living in all types of housing, from single family homes to multi-family rental units. Without increasing our investment in low-income energy efficiency, it will take 130 years to provide long-term, money-saving efficiency upgrades to all the limited-income households in Maryland. This is too long to wait while vulnerable low-income households face unsafe heat waves and cold snaps in poorly insulated homes.

Low-income Marylanders pay an average of 13% of their annual income on energy costs, compared to 2% for non-low-income households.¹ This translates to an average annual low-income energy bill of \$2,658, but an average annual income of only \$20,038. Extremely poor households (0 to 75% of the federal poverty level) face an average annual energy bill that requires 42% of their annual income (e.g., average annual energy bill of \$2,541, but an average annual income of \$6,120).² HB 108 would achieve greater equity in energy efficiency investment, particularly for low-income minority households who face paying a greater portion of household income on energy bills.³ Low-income households face the dire choice of sacrificing other necessities such as food or medicine to pay their energy bills.

At the present time, Maryland lacks an energy efficiency goal for low-income households and HB 108 would solve this problem. **In conclusion, NCLC supports HB 108 to provide**

¹ Applied Public Policy Research Institute for Study and Evaluation (APPRISE), *Maryland Low-Income Market Characterization Report* (Oct 2018) at p.59. Available at <http://mlrt.opc.maryland.gov/pdf/APPRISE%20Maryland%20Low-Income%20Market%20Characterization%20Report%20-%20September%202018.pdf>.

² *Id.*

³ *Id.* at 26 (White households comprise 45% of the low-income households in Maryland, followed by Black households (39%), Hispanic households (9%), 5% of Asian households (5%) and other (2%)).

funding to put Maryland on a path to achieve 1% energy consumption savings by 2026 for low-income households. We urge a favorable report on HB 108.

Sincerely,

Olivia Wein, Staff Attorney,
National Consumer Law Center, on behalf of our low-income clients
owein@nclc.org
202-452-6252, x 103