



Olivia Bartlett, DoTheMostGood Maryland Team

Committee: Finance

Testimony on: SB0524 – Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing

Position: Favorable

Hearing Date: February 15, 2022

Bill Contact: Senator Brian Feldman

DoTheMostGood (DTMG) is a progressive grass-roots organization with more than 3000 members across all districts in Montgomery County as well as a number of nearby jurisdictions. DTMG supports legislation and activities that keep residents healthy and safe in a clean environment and which promote equity across all our diverse communities. DTMG strongly supports SB0524 because it will provide greater energy equity and a healthier environment for low-income Maryland residents and will help reduce greenhouse gas emissions that drive climate change.

Energy efficiency is a proven, cost-effective way to lower the cost of energy for residents and to reduce greenhouse gas emissions across Maryland. 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.

However, low-income households have been left behind in this transition to greater energy efficiency. Low-income families tend to live in older homes that need health and safety remediation, such as lead and mold removal, before their homes can be weatherized. Although using energy more efficiently is one of the most cost-effective ways to lower utility bills and stabilize electricity prices for vulnerable households, Maryland currently has no goal or agency accountable for maximizing energy efficiency in the low-income households most in need of energy savings. As a result, too many low-income Marylanders continue to face high energy bills and unhealthy living conditions because of broken HVAC systems, drafty windows, and unreliable electrical systems. Low-income households in Maryland are also disproportionately (55%) Black, Hispanic, or Asian families.

A variety of barriers make it more difficult for low-income households to benefit from the current EmPOWER program compared to high-income households and Maryland lags behind other states in helping low-income residents achieve energy savings and lower energy costs. Nationally, low-income households need about 8% of their annual incomes to cover their energy costs, while energy costs for Maryland's low-income households are about 13%. Low-income households that can least afford it pay an average of 550% more for energy as a percent of income than most Marylanders.

Energy efficiency resource standards benefit from specific performance targets. However, there are no performance goals for low-income households under programs administered by the Department of Housing and Community Development.

The General Assembly has an important opportunity to fix these problems now by passing SB0524 to codify a complementary performance-driven goal for low-income housing. SB0524 includes a common-sense transition to a 1% annual energy savings goal for low-income households that will allow Maryland to retrofit the homes of 450,000 eligible low-income residents at least 100 years sooner than the 130 years projected under the current program. SB0524 will coordinate and consolidate a range of federal and state funding sources, enable state-funded home energy audits in qualified low-income homes, and increase Empower and state funding for programs targeting low-income households to make energy efficiency improvements, such as installation of new insulation, better windows, EnergyStar® appliances, LED light bulbs, and more.

SB0524 will therefore help low-income residents save energy and lower their energy costs. 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 all these reasons, DTMG strongly supports SB0524 and urges a **FAVORABLE** report on this bill.

Respectfully submitted,

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