

Committee: Finance Committee

Testimony on: SB524 - Public Utilities - Energy Efficiency & Conservation

Programs-Energy Performance Targets and Low-Income Housing

Organization: MLC Climate Justice Wing

Person

Submitting: Diana Younts, co-chair

Position: Favorable

Hearing Date: February 15, 2022

Dear M. Chair and Committee Members,

Thank you for allowing our testimony today in support of SB524. MLC's Climate Justice Wing is a statewide coalition of over 50 grassroots and grasstops organizations focused on climate justice.

Energy efficiency is a proven, cost-effective way to both lower the cost of energy and reduce carbon emissions. 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.

Low-Income households have been left behind in this transition to greater energy efficiency because they tend to live in older homes that need health and safety remediation such as lead and mold removal before their homes can be weatherized.

As a result, because energy is a regressive cost, low-income households in Maryland dedicate 13% of their annual incomes to energy costs and pay 550% more as a percent of income than non low-income households. The majority of these (55%) are Black, Hispanic, or Asian households. Because of these and other barriers it is more difficult for low-income households to benefit from the EmPOWER program, as compared to high-income households.

The legislature now has an opportunity to fix this, by codifying a complementary performance driven goal for low-income housing. This new, common sense, ramp up to a 1% energy savings goal will allow Maryland to retrofit the 450,000 eligible low-income residents at least 100 years sooner than the 130 years projected under the current program.

Lessons learned from the rest of the portfolio, and from energy efficiency resource standards such as EmPOWER Maryland generally, show that they benefit from specific performance targets. Electric utilities under Maryland's portfolio are performance-driven, thanks to the initial 15% by 2015 target and the current 2% target. Neither are there performance goals for low-income households under programs administered by the Department of Housing and Community Development. Now is the time to rectify that.

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 these reasons we urge you to vote favorably for SB524.

MLC Climate Justice Wing:

Assateague Coastal Trust Maryland Legislative Coalition

MD Campaign for Environmental Human

Rights

Chesapeake Climate Action Network

WISE

Frack Free Frostburg

Mountain Maryland Movement

Clean Water Action

Howard County Indivisible Howard County Sierra Club

Columbia Association Climate change and

sustainability advisory committee

HoCo Climate Action

CHEER

Climate XChange - Maryland Mid-Atlantic Field Representative/

National Parks Conservation Association

350 Montgomery County

Glen Echo Heights Mobilization

The Climate Mobilization Montgomery

County

Montgomery County Faith Alliance for

Climate Solutions

Montgomery Countryside Alliance
Takoma Park Mobilization Environment

Committee

Audubon Naturalist Society

Cedar Lane Unitarian Universalist Church

Environmental Justice Ministry Coalition For Smarter Growth

DoTheMostGood Montgomery County

MCPS Clean Energy Campaign

MoCo DCC

Potomac Conservancy Casa de Maryland

Nuclear Information & Resource Service

Clean Air Prince Georges

Laurel Resist

Greenbelt Climate Action Network

Maryland League of Conservation Voters

Unitarian Universalist Legislative

Ministry of Maryland

Concerned Citizens Against Industrial

Cafos

Wicomico NAACP

Chesapeake Physicians for Social

Responsibility Chispa MD

Climate Law & Policy Project
Maryland Poor Peoples Campaign

Labor for Sustainability
The Nature Conservancy
Clean Air Prince Georges

350 Baltimore

Maryland Environmental Health Network Climate Stewards of Greater Annapolis

Talbot Rising

Adat Shalom Climate Action
Mid-Atlantic Earth Holders
Climate Parents of Prince Georges
Echotopia
Maryland NAACP State Conference,
Environmental Justice Committee