# Arcadia

**HB1035 - Electric Companies, Gas Companies, and the Department of Housing and Community Development - Energy Efficiency and Conservation Plans**
**Maryland House of Delegates**
**445th Session of the General Assembly**
**March 1, 2022**
**Position: Favorable**

## Testimony of Arcadia on HB1035

Thank you for the opportunity to submit testimony on this legislation. Arcadia urges the House Economic Matters Committee to favorably report out this legislation. Below is an introduction to Arcadia (or "the Company"), an explanation of why we support this legislation, and comments on the importance of requiring metered data for compliance whenever possible.

### Introduction to Arcadia

Arcadia is building the software necessary for Marylanders to realize the full benefits of clean energy. Today, customers face a bewildering assortment of energy technologies – ranging from energy efficiency and renewable energy to battery storage and electric vehicles – all of which have unique capabilities, costs, and user experiences. Arcadia's software makes it possible for energy technology providers to move clean energy forward by enabling a simple user experience that saves people money.

Our software is revolutionizing energy efficiency reporting by automating the process of collecting utility bill data. This makes high quality energy consumption data easily available for all consumers. The savings generated by energy efficiency programs can then be measured using the most accurate data possible. This allows regulators to verify a program's effectiveness while also ensuring a smooth customer experience.

### Support for HB1035

Energy efficiency is the most cost effective way to meet Maryland's energy demands, reduce the energy burden for low income households, and make progress towards the state's ambitious clean energy goals. Directing the Commission, electric distribution companies, and gas companies to develop programs to promote energy efficiency is an important way to realize these benefits.

The legislation would require that the programs "have projected and verifiable energy efficiency, conservation, and greenhouse gas emissions reductions." They would also need to "achieve gross greenhouse gas emissions reductions targets as set by the Commission." These standards are critical to ensuring that these programs achieve their

aims. They are only useful, however, if they are enforceable. When verifying the effectiveness of an energy efficiency program, the legislation should require that reporting entities use real metered data whenever possible.

**Real metered data is the backbone of accurate greenhouse gas emissions reporting and reductions**

Real metered data is the most accurate and useful information available for tracking energy efficiency improvements and greenhouse gas emissions benchmarking and reductions. Estimates are inherently imprecise and should be avoided whenever possible. In Maryland, where 85% of all meters are capable of reporting in hourly intervals[1], metered data can also be used for more accurate carbon accounting. The PJM interconnection, which Maryland is a part of, provides marginal emissions rates in five minute intervals.[2] Hourly metered data can be matched with these rates to give the most accurate possible estimate of the emissions reductions achieved by an energy efficiency improvement.

The vast majority of beneficiaries of an energy efficiency program will have access to metered data and should be required to report it as part of program compliance. To be sure, there remain some use cases where estimates may be more appropriate. For example, a company that only uses part of a warehouse or a family that lives in a multi-family complex with only one meter may be unable to provide metered data for their consumption alone. The vast majority of reporting, however, should rely on actual, metered data, which is commercially available today.

Historically, manually gathering real metered data and compiling it into a usable format was challenging. Thankfully, environmental, social, and governance reporting software and services readily available today have advanced to a point where most residential and commercial customers could comply with these requirements with ease. Driven by increased investor and regulatory interest, software companies, like Arcadia, have designed products that can easily access this metered data. They can also auto-populate reporting platforms such as the industry-leading Energy Star Portfolio Manager, which was developed in collaboration by the United States Department of Energy and the Environmental Protection Agency.[3] Using it for reporting would not be unduly burdensome.

**Conclusion**

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[1] Energy Information Administration. Form 861 "Advanced Metering".
https://www.eia.gov/electricity/data/eia861
[2] PJM Interconnection, Five Minute Marginal Emissions Rates,
https://dataminer2.pjm.com/feed/fivemin_marginal_emissions/definition
[3] Energy Star. Benchmark Your Building Using ENERGY STAR® Portfolio Manager®.
https://www.energystar.gov/buildings/benchmark

Arcadia asks for a favorable report on HB1035 and recommends that the legislature ensure that compliance measures are implemented using the highest quality data available. The Company appreciates the opportunity to provide this testimony and would be happy to answer questions. Please do not hesitate to contact me at James.Feinstein@arcadia.com or (202) 999-8916 if you would like to discuss further.

Sincerely,

James Feinstein
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Arcadia