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Support HB 904: Public Utilities - Energy Efficiency and Greenhouse Gas Emissions Reductions - Alterations and Requirements (Energy Savings Act)

Chair Feldman and Members of the Committee:

Maryland LCV supports HB 904, and we thank Delegate Qi for her leadership on the issue. 2008's landmark EmPOWER law, and the revision passed in 2017, are fundamental pillars of Maryland's energy efficiency policy. Efficiency initiatives continue to be the most cost-effective way to meet Maryland's energy needs and for 15 years, the program has consistently saved Marylanders money while reducing per-capita energy demand.¹ However, as climate change becomes an increasingly pressing issue, EmPOWER also represents an opportunity for greenhouse gas (GHG) abatement. HB 904 makes the necessary changes to the EmPOWER program to achieve GHG reductions, as well as maintain energy efficiency programs, and is a priority bill for the environmental community.

Where EmPOWER previously only promoted efficiency, HB 904 would also direct the PSC to determine goals for each utility company to enact programs that reduce GHG emissions at an average of 1.8% yearly, or 14.4% by 2031. Likewise, under HB 904, EmPOWER rebates would now apply to electrification, both to make homes electric-ready and to incentivize the purchase of electric appliances. In addition to the climate benefits of this program, increased electrification is also beneficial for health - as the gasses and particulates emitted by gas appliances contribute to bronchitis, asthma, and cancer - and for equity, as low-income households experience the strongest pollution burden from gas appliances.²

The bill increases accessibility and outreach to low-income communities by establishing a multilingual community outreach specialist program within the Department of Housing and Community Development, the agency that runs the program for low-income customers, as well as directing utility companies to focus at least 85% of the program's goals on "behind-the-meter" efficiency that reduces costs to consumers.

In the light of the Climate Solutions Now Act, EmPOWER has an important role to play in supporting Maryland's progress towards net-zero emissions. Efficiency programs will be a necessary piece of the puzzle - nothing less than a comprehensive approach will do. HB 904 represents a significant investment in a clean, healthy, and energy efficient future for Maryland.

Maryland LCV strongly urges a favorable report on this important bill.

¹ <https://energy.maryland.gov/pages/facts/empower.aspx>

² <https://hub.jhu.edu/2022/02/22/gas-stoves-environment-warning/>