



Testimony for HB904: Public Utilities - Energy Efficiency and Greenhouse Gas Emissions Reductions - Alterations and Requirements (Energy Savings Act)

Committee: Economic Matters

Organization Submitting: Center for Progressive Reform

Person Submitting: Federico Holm

Position: FAVORABLE

Dear Chair Wilson, Vice Chair Crosby, and members of the Economic Matters Committee,

I'm Dr. Federico Holm and I'm a Clean Energy Policy Analyst with the Center for Progressive Reform. The Center for Progressive Reform is a nonprofit research and advocacy organization that conducts independent scholarly research and policy analysis, and advocates for effective, collective solutions to our most pressing societal challenges.

We are submitting this testimony in support of HB904, the Energy Savings Act, which would build on the successful EmPOWER Maryland program to help people choose healthier, more affordable home heating and cooking options, to protect our climate, and to take advantage of billions of dollars in new federal funds.

Energy efficiency programs have enormous potential for reducing greenhouse gas emissions^{i,ii}. The Energy Savings Act will ensure that the EmPOWER program is helping Maryland meet our climate goals by ending the incentives for fossil fuel appliances and heating, and create new incentives for electrification, efficient electric appliances, and home heating. Additionally, it will set clear performance targets, climate benchmarks, incentives and penalties for utilities to reach their goals and ensure the program is reducing Maryland's overall energy use and greenhouse gas emissions.

Energy efficiency is one of the smartest and least controversial investments the state can make, because it:

- **Reduces costs for consumers and ratepayers.** By reducing the amount of energy people consume and reducing the amount of infrastructure needed to provide that energy, efficiency improvements help ratepayers pay less on their utility bills^{ii,iii}. That's because [energy efficiency improvements are often a cheaper way for utilities to meet electricity demand than generating and distributing electricity](#).
- **Protecting public health by reducing air pollution from burning fossil fuels.** Burning fossil fuels, both indoors and out, [produces air pollution](#)^{iv} that can cause a range of health problems, from damage to the lungs and heart to cancer to mental health and cognitive issues.
- **Reducing greenhouse gas emissions.** By reducing fossil fuel combustion in buildings and from power plants, as well as the leaks of pollutants like methane associated with fossil fuel extraction and infrastructure, [energy efficiency reduces greenhouse gas](#)ⁱ emissions and thus helps fight global warming and climate damage.
- **Making it easier to transition to renewable energy.** By reducing the amount of energy required to meet the needs of the public, energy efficiency reduces the total amount of dirty fossil fuel generation that must be replaced by clean renewable sources in order to protect public health and prevent the worst impacts of climate change. Energy efficiency also reduces the number of costly upgrades to electricity transmission and distribution systems that are needed, significantly [easing the transition to renewable energy and reducing the time, costs and other resources required to make it](#).

Importantly, these features of energy efficiency also make it especially valuable as part of a broader strategy to achieve Maryland's climate goals in a way that is just and equitable, particularly for structurally marginalized communities. The Energy Savings Act will expand EmPOWER's reach by creating a multilingual community outreach specialist program for low-wealth



community members, and expand the network of contractors eligible to participate in the EmPOWER program. It will provide ongoing education, outreach, training and certification for contractors to deliver services and ensure Marylanders see the most benefits.

The Energy Savings Act is a win-win - it will save Marylander's money on utility bills, while protecting our health and the environment.

I respectfully urge this committee to return a favorable report on HB904.

ⁱ Nadel, Steven, and Lowell Ungar. "Halfway there: Energy efficiency can cut energy use and greenhouse gas emissions in half by 2050." *Report u1907 American Council for an Energy-efficient Economy* (2019).

ⁱⁱ Reyna, J., M. Chester, G. Wagner, G. Wagner, and M. Kainuma. Energy efficiency to reduce residential electricity and natural gas use under climate change. *Nat Commun* 8. 14916. (2017).

ⁱⁱⁱ Yang, Yuchen, Kavan Javanroodi, and Vahid M. Nik. "Climate change and energy performance of European residential building stocks—A comprehensive impact assessment using climate big data from the coordinated regional climate downscaling experiment." *Applied Energy* 298. 117246 (2021).

^{iv} Eric D. Lebel, Colin J. Finnegan, Zutao Ouyang, and Robert B. Jackson. Methane and NOx Emissions from Natural Gas Stoves, Cooktops, and Ovens in Residential Homes. *Environmental Science & Technology* 56. 4. (2022)