

February 27, 2024,

Written testimony for HB864- Energy Efficiency and Conservation Plans¹

Position: FAVORABLE

Submitted by: Denisse Guitarra, MD Conservation Advocate, Nature Forward



Dear Members of the House Economic Matters Committee,

Nature Forward is the oldest independent environmental organization in the DC metropolitan region. For 126 years, Nature Forward has inspired residents of the greater Washington, DC, area to appreciate, understand, and protect their natural environment through environmental education, advocacy, and outdoor experiences. We support HB864 because, if enacted, this bill will update the EmPOWER program to promote energy efficiency and conservation and to advance efforts to meet Maryland's ambitious greenhouse gas (GHG) reduction goals. Via the 2022 Climate Solutions Act (CSNA), Maryland set at its target to reduce GHG emissions by 60% by 2023 and 100% by 2035² Furthermore, HB864 closely aligns with Nature Forward's conservation advocacy concentrations areas which are: prioritize human health & access to nature, biodiversity & habitats, fighting the climate crisis, and sustainable land use.³ Nature Forward urges the House Economic Matters Committee to **favorably** support **HB864**.

¹ Available at: <https://mgaleg.maryland.gov/mgaweb/legislation/details/HB0864>

² MD Climate Change Program. 2023. Available at: <https://mde.maryland.gov/programs/air/ClimateChange/Pages/index.aspx>

³ Nature Forward (ANS) Conservation Advocacy Priority Campaign Areas: <https://natureforward.org/conservation-advocacy-at-ans-dynamic-changing-as-conditions-change-seeking-always-to-become-more-effective/>



EmPOWER successes and potential

The EmPOWER Maryland Energy Efficiency Act of 2008⁴ created the EmPOWER program to promote energy efficiency and conservation efforts and has been highly successful. Under the EmPOWER program, public utilities offer rebates and efficiency updates, and the Maryland Department of Housing and Community Development (DHCD) offers similar programs targeted at limited income consumers.⁵ The United States Department of Energy observed that utilities reduced per-capita electricity consumption by 10% and saved consumers more than \$4 billion through the EmPOWER Maryland initiative.⁶ The EmPOWER program has had a track record of success in lowering energy consumption and utility bills. Now the EmPOWER program can be improved by ensuring GHG emissions are reduced and make use of the recently available inflation reduction act (IRA) funding available to states.

EmPOWER for healthier people and the environment

People and the environment are at the core of the EmPOWER program updates proposed in this legislation. By ensuring that more funding is available to low to moderate-income individuals, this legislation will ensure that more people can make use of the benefits of this program while helping combat climate change. The new upgrades focus on ensuring people have discounts on electric appliances will encourage them to transition from gas to electric appliances. The more homes we transition to electric, the less GHG emissions we will be putting into the atmosphere. Additionally, we will keep Maryland residents safe from the health dangers of using gas appliances as we have seen multiple gas explosion accidents in Maryland-like the Silver Spring 2020 Flower Avenue apartment explosion.⁷ If HB864 passes, then it will

⁴ Available at: <https://energy.maryland.gov/pages/facts/empower.aspx>

⁵ Available at: <https://pirg.org/maryland/articles/how-to-supercharge-empower-maryland/>

⁶ Available at: <https://www.energy.gov/eere/better-buildings-residential-network/empower-maryland-saves-consumers-4-billion-and-counting>

⁷ Available at: <https://wjla.com/news/local/flower-branch-apartments-explosion-aftermath>



line up with local DC jurisdiction which passed funding in its FY2024 budget to incentivize residents to transition to electric appliances.^{8,9}

Emission Reduction Targets, Plans, and Schedules in HB864

The provisions of HB864 add to this successful program by adding clear and specific requirements for GHG emission reduction targets, plans and schedules that will help to ensure additional GHG reductions are achieved to support efforts to meet the CSNA GHG emission reduction targets. For example, HB864, if enacted, would require the Public Service Commission (Commission) to set GHG reduction targets covering a three-year program cycle for each public gas and electric utility and for the DHCD. Utilities are to meet their targets through energy efficiency and conservation programs and the DHCD is to meet its target by providing such programs to low- and moderate- income individuals.

In addition, after the Commission establishes these emission reduction targets, each gas and electric utility and the DHCD would be required to develop and submit to the Commission a plan pursuant to schedules set out in the bill to achieve its GHG emission target and to consult with Commission staff, the Office of the People’s Counsel, the Maryland Energy Administration and the Maryland Department of the Environment regarding the adequacy of the plan for achieving the GHG emission reduction targets established by the Commission. The bill also generally requires the Commission to require programs and adopt ratemaking policies to promote and support energy efficiency and conservation in support of the GHG emission goals and reductions in the CSNA.

⁸ Healthy Homes DC 2023. Available at: <https://trackbill.com/bill/district-of-columbia-bill-119-healthy-homes-and-residential-electrification-amendment-act-of-2023/2356181/>

⁹ Beyond gas 2020. Available at: <https://natureforward.org/advocating-for-a-beyond-gas-dc/>



Nature Forward supports the updates to the EmPOWER program in HB864 because we believe that those updates would lead to meaningful GHG emission reductions in Maryland. Achieving these reductions is critical as we must reduce GHG emission to lessen the impacts of climate change in our communities, Maryland, and around the world.¹⁰ The 2023 “Maryland’s Climate Pollution Reduction Report” states that the buildings sector is the largest consumer of electricity in the state of Maryland.¹¹ By enacting HB864, we would be tackling GHG reductions in buildings by making buildings more energy efficient and providing incentives to do energy retrofits to those that need support. On behalf of Nature Forward and our 28,000 members and supporters, we recommend that the Committee **pass and approve HB864**. Thank you for your time and consideration.

Sincerely,

Denisse Guitarra

MD Conservation Advocate at Nature Forward

Sheila Igoe & Debra Street

Nature Forward Conservation Volunteers

¹⁰ Available at: <https://mde.maryland.gov/programs/air/ClimateChange/Pages/index.aspx>

¹¹ Maryland’s Climate Pollution Reduction Report. December 2023. Page 34. Available at: <https://mde.maryland.gov/programs/air/ClimateChange/Maryland%20Climate%20Reduction%20Plan/Maryland%27s%20Climate%20Pollution%20Reduction%20Plan%20-%20Final%20-%20Dec%2028%202023.pdf>