



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

House Bill 864

Energy Efficiency and Conservation Plans

Date: February 29, 2024

To: House Economic Matters Committee

Position: **Favorable**

From: Matt Stegman
MD Staff Attorney

Chesapeake Bay Foundation (CBF) **SUPPORTS** HB 864, which realigns the incentives of the existing EmPOWER Maryland program with the state's climate goals and leverages available federal funding to deliver additional benefits to energy ratepayers.

Since its creation in 2008, the EmPOWER Maryland program has been a tremendous success. Over the life of the program, a cumulative investment of \$3.5 billion has returned savings of over \$12.7 billion to utility ratepayers. Additionally, the program has reduced greenhouse gas emissions by the equivalent of at least 9.6 million metric tons of carbon dioxide.

HB 864 shifts the goals of EmPOWER from electrical savings to greenhouse gas emissions reduction, directing the Public Service Commission to set specific goals for each utility with clear criteria for meeting them. Electric utilities will be required to provide incentives for switching to clean, efficient electric appliances and home heating, which will open up access for the use of new federal incentives. Electric appliances and equipment are significantly more efficient and produce less pollution than gas appliances.

HB 864 does not mandate the use of electric appliances, however it ensures consumers who want to make the switch have access to state and federal incentives. The bill makes these changes to both the utility run portion of EmPOWER and the Department of Housing run programs directed at low-income households.

CBF urges the Committee's FAVORABLE report on HB 864.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

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The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 200,000 members and e-subscribers, including 71,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.