



Maryland

Energy Administration

TO: Chair Feldamn, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee

FROM: MEA

SUBJECT: HB 864 - Energy Efficiency and Conservation Plans

DATE: March 21, 2024

MEA Position: FAVORABLE

The Maryland Energy Administration (MEA) is heavily involved in the ongoing EmPOWER processes hosted by the Public Service Commission (PSC). MEA supports the third reader version of the bill inclusive of the MEA and other State agencies' respective amendments. MEA recommends rendering a favorable report. This legislation is critical for reconciling the goals of the EmPower program with the climate goals established by the Climate Solutions Now Act.

Several factors are putting upward pressure on utility costs for individuals and businesses; commodity prices, transmission and distribution projects, among others. This bill, including the various agency amendments, gives the PSC Commissioners the flexibility needed to incorporate costs, environmental impacts, energy goals, and a host of other factors into the EmPOWER goal-setting process; providing the most prudent approach to weigh the costs and benefits associated with each goal level within the context of broader State policy goals.

The language of the agency amendments adopted in the House was developed with the input of stakeholders, including MEA, the Department of Housing and Community Development (DHCD), and the Maryland Department of the Environment (MDE), and it is an important step in helping us reach our energy and environmental goals, as established by the Climate Solutions Now Act of 2022. It follows the established processes for EmPOWER program design and adoption, and it adds greenhouse gas abatement as part of the overall program and its associated goals.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).