

**Thursday, March 21<sup>st</sup>, 2024**

**TO:** Brian Feldman, Chair of the Senate Education, Energy, and the Environment Committee, and Committee Members

**FROM:** Mariana Rosales, The Nature Conservancy, Director of Climate; Cait Kerr, The Nature Conservancy, State Policy Manager

**POSITION:** Support HB 864 Energy Efficiency and Conservation Plans

The Nature Conservancy (TNC) supports HB 864 offered by Delegates Crosby and Qi, as amendmended by the House of Delegates. HB 864 builds on EmPOWER Maryland's successes and aims to align the program with the state's climate goals and maximize the use of federal energy efficiency funds. This bill continues the program's effective focus on weatherization and rebates for efficient electric appliances and home heating and adds essential consumer safeguards. Importantly, the bill includes enabling fuel switching though EmPOWER funds and changing the program accounting to greenhouse gas emissions reductions. Energy efficiency is one of the most cost-effective ways to decrease greenhouse gas emissions to combat climate change, while reducing utility bills.

HB 864 seeks to improve the EmPOWER Maryland program by prioritizing energy efficiency measures that reduce greenhouse gas emissions, aligning program goals with Maryland's climate goals, and maximizing the use of federal energy efficiency funds from the Inflation Reduction Act. Energy is one of the three largest carbon emissions sources in our state. Decreasing the amount of energy needed through investing in energy efficiency creates a path to reducing emissions.

EmPOWER Maryland has been a highly successful energy efficiency program. It establishes free or discounted energy audits, weatherization, and efficiency rebates that help homeowners and businesses save money and advance efficient energy use. However, depending on the energy source used, the amount of greenhouse gas emissions might be drastically different. HB 864 goes beyond a solely efficiency-focused approach on the reducing energy use and aims to diminish greenhouse gas emissions.

In order to reach Maryland's statewide emission reduction goals of 60% from 2006 levels by 2031 and net-zero emissions by 2045, the EmPOWER Maryland program must continue and be improved. The measures included in this bill will contribute to the state's efforts to reduce greenhouse gas emissions and transition to clean, efficient electric power and home heating. HB 864 ensures that ratepayers receive meaningful benefits and clearly establishes obligations to the energy providers.

TNC commends Delegates Crosby and Qi on introducing this bill, which seeks to expand energy efficiency and reduce greenhouse gas emissions through the EmPOWER program.

**Therefore, we urge a favorable report on HB 864.**