

March 3, 2025

The Honorable Marc Korman
House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

Re: HB1415 – Environment – Building Energy Performance Standards and Energy Use Intensity Targets - Exemptions

Dear Chairman Korman and Members of the Committee:

The Allegany County Chamber of Commerce (the Chamber), which represents more than 300 companies, corporations and non-profits in Allegany County Maryland, supports House Bill 1415.

The legislation exempts covered buildings that received a use and occupancy permit before June 1, 2022, from compliance with building energy performance standards (BEPS) and energy use intensity (EUI) targets until it becomes necessary to replace lighting, heating, ventilating and air conditioning (HVAC) systems or other major components of the covered building due to the failure of those components or as a result of the end of life of those components.

Allegany County businesses understand the importance of addressing greenhouse gas emissions and pursuing cost-effective opportunities to reduce those emissions. Unfortunately, the BEPS regulations implemented in December of 2024 are not a cost-effective opportunity for owners and operators of Allegany County buildings that are 35,000 square feet or larger.

The cost to the estimated 100+ companies or individuals who own, operate or lease Allegany County buildings that are 35,000 square feet or larger is shocking. As outlined in the final BEPS regulations, with Energy Use Intensity (EUI) standards, covered building owners throughout Maryland are estimated to spend more than \$15 billion dollars in required efficiency and electrification measures to receive over \$8 billion in energy cost savings.

Many building owners will need to spend money on electrification and weatherization efforts soon to meet interim 2030 and 2035 greenhouse gas reduction goals and the BEPS regulations final zero emission 2040 standards. These financial costs will take place prior to their building equipment's normal end of life. This is not logical, not cost-effective and will increase costs throughout Allegany County.

Local and state governments are also covered building owners under the BEPS regulations and new and additional costs will be passed on to state agencies and local governments and their taxpayers as well.

The Chamber believes the provisions of House Bill 1415 can reduce the significant costs to covered building owners related to the BEPS regulations until a building's equipment needs to be changed at the end of its useful life. We request a favorable report on House Bill 1415.

Sincerely,



Juli McCoy
President & CEO
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cc: Allegany County Delegation