

February 12, 2025

House Environment and Transportation Committee Chairman Marc Korman 251 Taylor House Office Building Annapolis, Maryland 21401

RE: SB 256 / HB 49 - Environment - Building Energy Performance Standards - Compliance and Reporting

Support with Amendments

Chair Korman and Members of the Environment and Transportation Committee,

Thank you for the opportunity to comment on SB 256 / HB 46 – Building Energy Performance Standards – Compliance and Reporting. We appreciate your attention to this important matter.

AstraZeneca is a global, science-led biopharmaceutical company that focuses on the discovery, development and commercialization of prescription medicines in Oncology, Rare Diseases and BioPharmaceuticals, including Cardiovascular, Renal & Metabolism, and Respiratory & Immunology. Based in Cambridge, UK, AstraZeneca operates in over 125 countries, and its innovative medicines are used by millions of patients worldwide.

We are proud that Maryland is home to three key AstraZeneca sites including: one of five strategic Research & Development Centers in Gaithersburg, Frederick biologics Manufacturing Center and our soon to open Rockville cell therapy Manufacturing Center. These Maryland sites employ a diverse community of over 5,000 individuals.

Current Building Energy Performance Standards (BEPS), as structured, would harm AstraZeneca operations and the larger life science industry. As the third largest life science cluster in the Country, it is critical that policies support life science operations and future growth.

We respectfully request amendments to this legislation that would provide a categorical exemption from the current BEPS for life sciences research and development buildings. Activities at life sciences R&D centers, such as ours in Gaithersburg, include development and production of medicines for clinical trials at laboratory and pilot scale. Both development and production require a high focus on business resilience to prevent disruption to process power and heating. This precludes much of the electrification required to reduce and eventually achieve the BEPS zero net direct emissions, as both power and gas or fuel heating must be maintained for resilience.



AstraZeneca Maryland sites utilize Renewable Natural Gas (RNG) as a decarbonization strategy. As RNG use is still uncommon, the BEPS benchmarking tool ENERGY STAR Portfolio Manager does not currently provide an adjustment for RNG use as it does for use of renewable power. Therefore, net direct intensity calculated by the tool would not be representative of emissions impact for AstraZeneca sites.

In addition, while Maryland continues to address building energy performance standards, Counties are simultaneously establishing separate requirements; increasing the complexity and challenges of compliance. To support a more aligned approach to standards, we recommend amended language prohibiting Counties and municipalities in Maryland from establishing or enforcing BEPS for any building type that are also excluded by the State.

With a community of over 2,700 life science businesses, resilient R&D activities are critical to the industry and to advances in healthcare. As the burden of disease grows and the population ages, we believe that science is key to helping unlock the answers to healthcare challenges. We are harnessing science to create novel therapies and vaccine, help people with chronic diseases live better, healthier lives, redefine cancer care and pioneer treatments for rare diseases.

AstraZeneca remains committed to reducing building energy intensity such as reducing air exchange rates while maintaining the stringent critical space specifications required to meet US FDA Good Manufacturing Practice/Good Laboratory Practice regulations and health & safety regulations. Our commitment to environmental sustainability does not only include a focus on building operation natural resource efficiency but also on optimizing space utilization through the densification and co-location of lab functions, ensuring a more sustainable approach to laboratory operations.

We appreciate Maryland's efforts to address climate change. AstraZeneca believes a healthy environment is critical to the health of people, communities, and our world. We look forward to continuing our ambition of accelerating the delivery of net-zero healthcare, proactively managing our environmental impact, and investing in nature and biodiversity.

Thank you,

Geoffrey A. Gallo

Head of Corporate & State Government Affairs

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