

Chair Marc Korman
Environment and Transportation Committee
250 Taylor House Office Building
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Annapolis, MD 21401

I am testifying concerning HB49 that addresses BEPS mandates. I hold the following relevant credentials in the molecular biology arena; B.A. (Johns Hopkins) as well as M.Phil. and Ph.D. (both from Yale). I was a Postdoctoral Fellow in Biochemistry (Stanford) before spending a 34-year career at the DuPont Company, a pre-eminent leader in Industrial and Environmental Safety. I was elected to Fellowship in the American Academy of Microbiology and promoted to Research Fellow at DuPont. I have been a member of NIH Study Sections and the Editorial Boards of both the Journal of Bacteriology and Applied and Environmental Microbiology.

The Elizabeth Condominium, located in Friendship Heights, MD and opened in 1975, contains 355 units. It is on **sound financial footing with adequate reserves** in place to replace aging, often original, infrastructure. It is the home to newborn children and 100 year old seniors. Some residents are starting families and careers while others are on fixed, retirement incomes.

In the past decade all windows were replaced, the garages were refurbished, the mechanical loft was upgraded, the ground floor lobbies were redone, the pool was modernized, a communication system for emergency personnel was installed and the residential corridors were renovated. Some projects (lobbies and corridors) were cosmetic while the elevator work replaces failing equipment essential to a high-rise that had proven to be no longer reliable and safe. Similarly, providing communication technology to first responders increases everyone's security while the garage work literally solidified the foundation upon which the Elizabeth is built by replacing vast amounts of concrete.

Other **work has decreased our environmental footprint**. The window project resulted in lowering our HVAC costs and energy consumption. The garage program sealed our foundation minimizing runoff into adjacent wetlands. Loft work anticipated the need to replace our heating and cooling systems. Pool modernization has dramatically decreased the amount chlorine in our swimming water. **Repeatedly, the Elizabeth has succeeded in being environmentally responsible.**

Currently, we are in the midst of upgrading our six original elevators and planning to replace our boilers. All of this has been accomplished while paying off a major loan. We believe **these projects have made us more energy efficient, sustainable and attractive.**

We pride ourselves on **doing due diligence**. Our boilers are now 50 years old and failing. They must be replaced this Spring; to that end we had contracted with ERA

Building Solutions who produced a detailed energy audit in mid-2024. **In light of the proposed BEPS regulations we revisited the Energy Audit** earlier this year with ERA Building Solutions. We also **contracted with a mechanical engineering firm**, Thomas Downey, **and a Federal facilities manager** visited our premises to broaden inputs regarding our sustainability position and the most responsible path forward for our stakeholders, residents and neighbors. The concurrence of these three separate expert opinions reassured us that we are on the right path.

Key finding included that **new technologies**, which could help **to meet the proposed BEPS mandates**, have **unknown functional lifetimes**, a likely **insufficient work force** to maintain the equipment and **many other economic unknowns**. **They are not yet “ready for prime-time.”**

Back of the envelope calculations concerning the installation of a BEPS-mandated electrified **boiler system indicate that it will increase our current monthly \$1700 HOA** (home owner association) **average unit fee by 14%** versus new gas boilers while still **failing to meet the proposed BEPS mandates**. This **failure will add another 4% penalty** to each of our owners **increasing the yearly average HOA outlay** for each building unit **from about \$20,000 to about \$24,000**. This increase is likely an underestimate of the cost of converting our boilers from gas- to electrical-power. This will hurt our residents, property values and Friendship Heights. You can see why citizens across the state are concerned. The proposed legislation is likely to negatively impact property values and exacerbate housing problems state-wide.

I believe the following points are essential:

- **Only a single set of rules (County or State) should apply** to any property. Such a view needs to be enshrined in the proposed legislation.
- Realizing that **one-third of Montgomery County Buildings, mostly of older vintage, cannot meet the proposed BEPS regulations**, they should be treated differently than newer multi-unit construction. **This exception to the BEPS mandate is critical** for the wide range of properties who have worked collaboratively to address this issue. Their conclusions are quite similar to ours.
- A planned amendment will mandate **recertification of exceptions** on a regular basis. I suggest that a **decade is an appropriate time-period between re-evaluations**. This seems to be an apt interval in which progress in improving technological reliability and expanding workforce availability can be evaluated.

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