



Bill: SB 479/HB 1217 Environment – Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions

Position: SUPPORT

Dear Chair, Vice Chair, and Members of the Committee:

The Maryland Coalition for Inclusive Energy Solutions (MCIES) urges a **favorable** report on Environment – Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions.

This targeted relief is critical for owners and tenants of buildings 35,000 square feet and larger, who are otherwise facing staggering upfront costs to prematurely retire functioning equipment and undertake full electrification retrofits.

The MDE’s own estimate of economic impact in the final regulations calculated covered building owners will spend more than \$5.7 billion on efficiency and electrification measures to achieve \$1.2 billion in energy cost savings without an Energy Use Intensity (EUI) standard. Those estimates climb to more than \$15 billion spent on efficiency and electrification measures to provide approximately \$9 billion in energy savings with the addition of EUI standards. These projections were developed before recent PJM capacity auctions that produced very large increases in wholesale electric capacity prices, which means expected “savings” are now likely overstated.

The current BEPS regulations impose major, rapidly escalating financial burdens on Marylanders at a time of rising energy and housing costs, and many simply cannot absorb additional regulatory-driven increases that do not deliver realistic or verifiable savings. This legislation is a reasonable, measured policy that maintains Maryland’s long-term climate trajectory while allowing existing buildings to transition at the natural end-of-life of their major systems, rather than through forced, premature replacements.

For these reasons, the Maryland Coalition for Inclusive Energy Solutions respectfully requests a **favorable** report.

Thank you for your consideration.

Sincerely,