

DAVID S. LAPP
PEOPLE'S COUNSEL

WILLIAM F. FIELDS
DEPUTY PEOPLE'S COUNSEL

JULIANA BELL
DEPUTY PEOPLE'S COUNSEL

OPC
OFFICE OF PEOPLE'S COUNSEL
State of Maryland

6 ST. PAUL STREET, SUITE 2102
BALTIMORE, MARYLAND 21202
WWW.OPC.MARYLAND.GOV

BRANDI NIELAND
DIRECTOR, CONSUMER
ASSISTANCE UNIT

CARISSA RALBOVSKY
CHIEF OPERATING OFFICER

BILL NO.: Senate Bill 0834 – Energy Efficiency and Conservation Programs, Services, and Plans - Moratorium

COMMITTEE: Education, Energy, and the Environment

HEARING DATE: March 5, 2026 (EEE)

SPONSOR: Senators Hershey & Ready

POSITION: Informational

The Office of People’s Counsel (OPC) respectfully offers the following informational comments on Senate Bill 0834, Energy Efficiency and Conservation Programs, Services, and Plans – Moratorium. As the name implies, SB 0834 would impose a moratorium on the implementation or enforcement of the EmPOWER program— Maryland’s utility-customer funded program to support energy efficiency, conservation, greenhouse gas reductions, and demand response—beginning July 1, 2026. Electric and gas companies would continue to recover all unpaid and unamortized costs incurred before the start of the moratorium. Once the full balance is recovered, the Public Service Commission (PSC) would be required to make a recommendation to the General Assembly as to whether the moratorium should be rescinded. OPC appreciates the sponsors’ intent to address unaffordable utility bills and offers the following comments for the Committee’s consideration.

While the proposed moratorium has the potential to reduce the amount that customers pay for EmPOWER programs now, customers would experience higher costs over the long-term because they would lose the benefits of the energy savings—and lower energy bills—that result from the program. By any measure, the benefits of EmPOWER outweigh the costs. EmPOWER offers utility customers opportunities to save money on their energy bills by offering equipment and product rebates; free or discounted (to the individual customer) energy efficiency checkups and repairs for the home; equipment upgrades and tune-ups; and energy usage alerts that can help customers better control their bills and save money. EmPOWER programs produce about \$2 in

benefits for every dollar spent.¹ The measures and equipment installed through EmPOWER so far are expected to save Maryland utility customers over \$15.8 billion over the lifetime of the equipment.²

Notably, most EmPOWER programs do not need to be administered by the utility and their costs do not need to be recovered in utility rates. In fact, funding the programs through utility rates is regressive compared to other alternatives, such as general funds due to more progressive tax brackets. Thus, while the benefits of the EmPOWER programs described above would no longer be realized under the bill, the State could retain the programs using non-utility program administrators and funding programs outside of utility rates.

OPC appreciates the opportunity to provide these informational comments on SB 0834 and is available to answer any questions the Committee may have.

¹ Guidehouse and Cadmus, *EmPOWER Maryland 2023 Cost-Effectiveness Results Report* (Jan. 2, 2025) at 7, available from the Md. Pub. Serv. Comm'n EmPOWER Evaluation Advisory Group Work Group.

² Md. Pub. Serv. Comm'n, *The EmPOWER Maryland Energy Efficiency Act Report of 2025* (June 2025) at 2, <https://www.psc.state.md.us/wp-content/uploads/2025-EmPOWER-Maryland-Energy-Efficiency-Act-Standard-Report-Final.pdf>.