

EMPOWER MARYLAND

Energy efficiency reduces bills, pollution and demand on the grid

The EmPOWER Maryland Energy Efficiency Act of 2008 created the EmPOWER program to incentivize energy efficiency and energy conservation efforts. Since then, EmPOWER has reduced energy waste, saved utility customers money, and reduced pollution.

Since 2008, EmPOWER Maryland has:

- **Created savings of over \$15.8 billion** from an investment of \$3.2 billion in efficiency.
- **Saved more than 17,582,5781 MWh** and 3,589 MW of peak demand.
- **Reduced pollution by the equivalent of at least 11 million metric tons of carbon dioxide**, equal to taking 2.5 million cars off the road for a year.
- Provided Marylanders with energy audits and weatherization, rebates for appliances and weatherization, and provided businesses with discounts and incentives for energy efficiency.

In 2024 alone, EmPOWER resulted in more than 1,300,000 MWh in electricity savings.

In 2024, the legislature updated EmPOWER to:

- **Serve more communities:** Provide weatherization and HVAC rebates for families with gas heat who had been underserved by the program since its inception.
- **Focus on efficiency:** While EmPOWER's goals are now calculated with gHg savings, EmPOWER remains an energy efficiency program first and foremost. The majority of savings are still coming from reduced electrical use (kWh reduction), reducing demand on the grid.
- **Reduce utility profits:** The legislature reduced how much utilities profit off EmPOWER by lowering the interest rate from about 9% to 4% — saving customers hundreds of millions of dollars.

WHY ENERGY EFFICIENCY MATTERS

- **Reducing costs for consumers:** Reducing the amount of energy people use lowers bills, and is a cost effective way to meet increased electricity demand. Cumulatively, reductions in electricity use from in-home improvements prevent the need for costly new transmission and generation infrastructure, saving everyone money on their utility bills.
- **Reducing strain on the grid:** Improving weatherization and appliance efficiency reduces strain on the grid, the need for new transmission and generation infrastructure, and keeps people safe and comfortable through storms and other unexpected events.
- **The less energy we use, the less pollution we create:** Burning fossil fuels in our homes and at power plants produces air pollution that can cause a range of health problems, from damage to the lungs and heart to cancer to mental health and cognitive issues.



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FREQUENTLY ASKED QUESTIONS

Why did the EmPOWER surcharge increase?

For years, utilities charged customers for only a portion of their EmPOWER costs each year — and were allowed to earn profits on the debt. This was like paying for EmPOWER with a utility-owned credit card with no limit and high interest. In 2020 alone, utilities earned \$55 million in profits off of interest payments, diverting customer funds from the energy efficiency program to cover their profits. To prevent more compounding interest, the Public Service Commission (PSC) ordered in 2022 that the debt be paid off over several years. This has caused a temporary increase in the EmPOWER surcharge.

Did changes in the 2024 law make EmPOWER more expensive?

No. The 2024 law saved ratepayers hundreds of millions of dollars by extending the debt payback period and lowering the utilities' interest rate from about 9% to 4%. And, in 2025 utilities generally achieved their savings goals under budget, reducing the 2026 surcharge.

Is EmPOWER just about climate change?

No. EmPOWER is first and foremost an energy efficiency program designed to reduce use, lower bills, and make homes and businesses more comfortable. Since 2008, the program has saved Marylanders more than \$4 billion in energy costs, with projected lifetime customer savings to date of \$15.8 billion.

Is EmPOWER a good investment?

Energy efficiency is one of the smartest investments in the face of escalating energy costs. Energy efficiency is incredibly cost effective, especially when compared to the alternatives of increased generation and transmission to meet our energy needs. [EmPOWER returns \\$2 in benefits for every \\$1 spent.](#)

Can't we just pause the EmPOWER fee?

No. The EmPOWER surcharge is covering outstanding debt as well as ongoing program costs. If the fee is paused, the debt remains and the program goes away. It's a lose-lose for energy customers and a win-win for utilities.

Does EmPOWER only serve low-income households?

No. All Maryland ratepayers can take advantage of EmPOWER's benefits, regardless of income.

Don't utilities already promote energy efficiency?

No. Utility bills are based on the amount of energy ratepayers use, and investor-owned utilities make the highest profits on building new infrastructure to deliver energy to our homes. They have a disincentive to promote efficiency. That's why EmPOWER is so important: it requires utilities to hit annual energy efficiency goals.

What can we do to make EmPOWER less expensive?

The best way to make EmPOWER less expensive is to protect consumers from outsized profits and utility mismanagement. The state could consider requiring independent audits to avoid wasteful spending or having an independent 3rd party administrator oversee one statewide program. This would lower costs by removing redundancies, avoiding conflict of interest, and streamlining offerings across the state for residents and contractors.



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