



MARYLAND
Chamber of Commerce

October 28, 2021

Maryland Department of the Environment
Climate Change Program
Mark Stewart, Program Manager
1800 Washington Boulevard
Baltimore, MD 21230
mark.stewart1@maryland.gov

Re: MCCC – Building Energy Transition Plan

Dear Mr. Stewart:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families. On behalf of our members, we would like to highlight our concerns with the proposed recommendations contained within the Buildings Energy Transition Plan to be considered by the Maryland Climate Change Commission at the upcoming November 1 meeting. We ask that these comments be provided to the members of the Commission prior to a discussion on adoption.

The Maryland Chamber of Commerce remains a dedicated partner alongside the Maryland Department of the Environment in supporting pragmatic policies to achieve a more sustainable energy future. Historically, the Chamber has supported incentive-based programs to meet those goals while urging caution when setting mandates with substantial cost implications for Maryland employers, particularly as our state's economy works its way out of the economic shock brought on by the COVID-19 pandemic. Several of our members have expressed concern with the proposed building recommendations, particularly regarding cost implications and the feasibility of transitioning so much of the load by the stated deadlines.

An incentives-based approach is mentioned within the recommendations pertaining to the cost of implementation; however, it is unclear if those mentioned are geared toward the business community and if so, at what level will those be made available? Additionally, due to our proximity to other states, regional economic competitiveness remains top of mind for our members. How does this reduction strategy compare with neighboring states and has any type of analysis been performed to gain a better understanding of the impact to Maryland's overall

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business climate from this stand-alone effort? We also frequently hear from our members and others in the business community about the barriers to economic development resulting from the lack of access to natural gas in the regions of the state that are not served. It stands to reason that the business communities and others who lack access to this energy source would have serious concern about a ban or a severe restriction on the use of natural gas as an affordable energy source.

The new proposed requirement for the Public Service Commission (PSC) to oversee transition plans to support a cleaner energy future, outlined on page 23, correctly reflect their charge and authority. With their expertise and ability to leverage utility resources they appear better positioned to undertake the task with a broader set of tools than the current analysis. We contend that specific targets for reduction should not be a part of the current recommendations. The Chamber suggests that the PSC report back on their analysis and findings to the Mitigation Work Group and the Climate Commission as the more robust analysis will better inform establishment of the target reduction. This recommendation is in-line with the feedback provided by other groups such as the Office of People's Counsel.

We also urge more frequent and broader community outreach on the complex issues the Climate Commission is dealing with. Few have the expertise necessary to process much of the complex work and output the Climate Commission produces and many of these outcomes are often received as a surprise, likely due to the volume of climate change efforts despite the Commission staff's best efforts.

The Maryland Chamber is committed to working with you to engage our membership on this topic. Thank you for your consideration and attention to this issue.

Sincerely,

Maryland Chamber of Commerce

