

Why Energy Efficiency?

History

- 2006: North American Electric Reliability Council (NERC) issued warning to Maryland that electricity supply and reliability were at risk if steps to reduce energy usage were not taken.
- 2008: EmPOWER Maryland Energy Efficiency Act of 2008 established a statewide goal of 15% reduction in per capita electricity consumption and peak demand by the end of 2015.
- 2017: <u>Section 7-211 of the Public Utilities Article of the Annotated Code of Maryland</u> updated with a new annual energy savings goal of 2% of gross energy sales through 2023.

Benefits

- EmPOWER programs generate approximately \$1.22 in benefits for every \$1 spent.
- Expected savings of \$10.6 billion over the life of the installed energy efficiency measures through the end of 2019.
- **System-wide benefits**: avoided investments in transmission infrastructure, distribution infrastructure, and peak production capacity.
- **Societal benefits**: reduced air pollution emissions, reduced greenhouse gas emissions, and increased reliability and security.
- **Participant benefits**: reduced costs for operating and maintaining equipment like HVAC systems, reduced costs in energy bills, and improved health and comfort.

Historic Performance

- EmPOWER programs have saved 10,670,600 MWh and 2,571 MW of peak demand.
 - This is equivalent to reducing 7.5 million metric tons of carbon dioxide or the greenhouse emissions from:
 - 1.6 million vehicles driven for one year or 870,000 homes' energy use for one year.
- \$3.1 billion spent since 2009 including \$2.3 billion on energy efficiency programs and \$814 million on demand response programs.
- For the average residential customer using 1,000 kWh per month, the 2020 EmPOWER surcharge ranges between \$5.63 and \$8.30 depending on the utility.

Milestones for the Future

- Utilities and DHCD file plans for 2021-2023 by September 1, 2020.
 - Commission Order approving, denying, or modifying the plans by December 31, 2020.
- Commission is required to file recommendations to the General Assembly on savings goals and cost-effectiveness methodologies of EmPOWER for the 2024-2026 program cycle by July 1, 2022.