



## 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: [Section 7-211 of the Public Utilities Article of the Annotated Code of Maryland](#) updated with a new annual energy savings goal of 2% of gross energy sales through 2023.
- 2022: goals increased to 2.25% in 2025 and 2026 and to 2.5% in 2027+ by Climate Solutions Now Act.
  - Both 2017 and 2022 legislation required the Commission to file a report with recommendations on the future goals and cost-effectiveness for EmPOWER beginning in 2024.
  - Commission recommendations on greenhouse gas abatement goals can be found in its report on [Recommendations on the Future of EmPOWER Maryland](#).

### Benefits

- EmPOWER programs generate approximately \$1.61 in benefits for every \$1 spent.
- Expected savings of \$13 billion over the life of the installed energy efficiency measures through the end of 2021.
- **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 13,576,132MWh and 2,849 MW of peak demand.
  - This is equivalent to reducing 9.6 million metric tons of carbon dioxide or the greenhouse emissions from:
    - Over 2 million vehicles driven or over 1.8 million homes' energy use for one year.
- \$3.7 billion spent since 2009 including \$2.7 billion on energy efficiency programs and \$1 billion on demand response programs.
- For the average residential customer using 1,000 kWh per month, the 2022 EmPOWER surcharge ranges between \$6.42 and \$8.62 depending on the utility.

### Milestones for the Future

- Commission to hold goal-setting proceeding in 2023.
- Utilities and DHCD file plans for 2024-2026 by September 1, 2023 with Commission Order approving, denying, or modifying the plans by December 31, 2023.