March 28, 2017

Re: SB 184, Energy Efficiency Programs - Calculation of Program Savings and Consideration of Cost-Effectiveness

Dear Governor Hogan,

As a group of diverse businesses, including hospitals, manufacturers, trade associations, and service providers, with a significant Maryland presence; we write to voice our support for EmPOWER Maryland. Our companies have a long and successful history of doing business in the state. We have a dedicated and loyal workforce composed of several thousand employees in Maryland that we hope to grow in the future.
As employers and energy consumers, we understand firsthand how energy policies affect the cost of doing business and the state’s economic competitiveness. Our businesses support policies that advance energy efficiency because Maryland consumers and businesses benefit when we eliminate energy waste. The EmPOWER Maryland programs are the lowest-cost energy resources available and are much lower than the cost of current electric supply rates.¹ By investing in energy efficiency, we can reduce total energy costs for all customers, mitigate the impact of fuel and electricity price increases, and build a more affordable, reliable electricity system for the businesses and people in the state.

**EmPOWER Maryland has been a tremendous success for the state.** Since its inception in 2008, it has:

- Delivered $1.82 in benefits for every dollar invested in energy efficiency.² These benefits can be attributed to the reduced need to build new power plants and power lines and to lower wholesale energy prices;
- Delivered bill savings that will exceed $4 billion over the life of energy efficiency improvements made between 2008 and 2015;³ and
- Delivered demand savings exceeding 2,000 MW — the equivalent to the output of four large power plants.⁴

Notably, other sources of energy cost two to three-and-a-half times more than saving energy.⁵ Thus all consumers experience the benefits of EmPOWER Maryland - whether or not they participate directly in energy-saving efforts.

**A commitment to continuing EmPOWER Maryland would help give the business community the confidence to invest and grow.** We are businesses and companies that specialize in a broad range of high-technology products, solutions, and services. Policies that ensure the continuation of EmPOWER Maryland would provide the regulatory and market certainty we need to make investment decisions. The continuation of EmPOWER Maryland would also help us to make well-informed, long-term plans for our Maryland workforce.

In closing, our companies would like to thank you for your leadership on this important issue. We stand ready to work with you and would welcome the opportunity to meet with you and your staff. We would also be happy to provide additional information about the benefits that EmPOWER Maryland has delivered for the state and will deliver in the future.

Sincerely,
Across all Utilities, the lifecycle cost per kWh for the energy efficiency programs is $0.026 per kWh – significantly lower than the current cost of Standard Offer Service, which ranges from $0.062 to $0.093 per kWh.


Ibid at 3.

Ibid at 1.