

HOUSE BILL 1035

M5, C5

3lr1308
CF SB 905

By: **Delegate Wilson**

Introduced and read first time: February 10, 2023

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 22, 2023

CHAPTER _____

1 AN ACT concerning

2 ~~Electric Companies, Gas Companies, and the Department of Housing and~~
3 ~~Community Development – Energy~~ Energy Efficiency and Conservation Plans
4 and Green and Healthy Task Force

5 FOR the purpose of requiring each electric company and gas company and the Department
6 of Housing and Community Development to develop a certain plan for achieving
7 certain energy efficiency, conservation, and greenhouse gas emissions reduction
8 targets through certain programs and services; requiring the Department of Housing
9 and Community Development to procure or provide for its customers or certain
10 individuals, beginning on a certain date and with a certain frequency, certain energy
11 efficiency, conservation, and greenhouse gas emissions reduction programs and
12 services to encourage and promote the efficient use and conservation of energy in
13 support of certain greenhouse gas emissions reduction goals and targets for
14 achieving certain energy efficiency, conservation, and greenhouse gas emissions
15 reduction targets; requiring the Public Service Commission to encourage and
16 promote the efficient use and conservation of energy in support of certain greenhouse
17 gas emissions reduction goals and targets in a certain manner, including requiring
18 certain municipal electric or gas utilities and electric cooperatives to include certain
19 programs or services as part of their service to their customers as directed by the
20 Commission; requiring certain electric companies and gas companies and the
21 Department of Housing and Community Development to develop and submit to the
22 Commission, on or before a certain date and with a certain frequency, a plan for
23 achieving certain energy efficiency, conservation, and greenhouse gas emissions
24 reduction targets requiring the Commission to establish and determine certain
25 greenhouse gas emissions reduction targets; requiring certain contractors used for

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 certain programs under this Act to meet certain job requirements; requiring the
 2 Department of Housing and Community Development to develop a plan to coordinate
 3 and leverage funding sources to support certain energy efficiency and other home
 4 upgrades; requiring the Department of the Environment to prepare and submit to
 5 the Commission a certain analysis; requiring each electric company and each gas
 6 company to promote certain rebates, tax credits, and incentives; establishing the
 7 Green and Healthy Task Force to analyze and advance the coordination of resources
 8 to address the housing needs of low-income communities; requiring the certification
 9 agency designated by the Board of Public Works and the Governor's Office of Small,
 10 Minority, and Women Business Affairs, in consultation with the Department of
 11 Housing and Community Development, the Office of the Attorney General, and the
 12 General Assembly to study certain energy efficiency and conservation services and
 13 submit its findings on or before a certain date; and generally relating to the efficient
 14 use and conservation of energy in support of greenhouse gas emissions reduction
 15 goals and targets.

16 BY repealing

17 Article – Public Utilities

18 Section 7–211

19 Annotated Code of Maryland

20 (2020 Replacement Volume and 2022 Supplement)

21 BY adding to

22 Article – Public Utilities

23 The new part designation “Part I. In General” to immediately precede Section 7–201;

24 ~~and Section 7–220 through 7–226~~ 7–228 to be under the new part “Part II.

25 Energy Efficiency and Conservation Plans” Efficiency and Conservation
 26 Plans”; and 7–315

27 Annotated Code of Maryland

28 (2020 Replacement Volume and 2022 Supplement)

29 BY repealing and reenacting, with amendments,

30 Article – Public Utilities

31 Section 7–510.3(j)(2)

32 Annotated Code of Maryland

33 (2020 Replacement Volume and 2022 Supplement)

34 BY repealing and reenacting, with amendments,

35 Article – State Government

36 Section 9–20B–05(f)(4)

37 Annotated Code of Maryland

38 (2021 Replacement Volume and 2022 Supplement)

39 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

40 That Section(s) 7–211 of Article – Public Utilities of the Annotated Code of Maryland be
 41 repealed.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the new part designation
2 “Part I. In General” be added to immediately precede Section 7–201 of Article – Public
3 Utilities of the Annotated Code of Maryland.

4 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
5 as follows:

6 **Article – Public Utilities**

7 **7–218. RESERVED.**

8 **7–219. RESERVED.**

9 **PART II. ENERGY EFFICIENCY AND CONSERVATION PLANS.**

10 **7–220.**

11 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS
12 INDICATED.

13 (B) “BEHIND–THE–METER PROGRAM” MEANS A PROGRAM THAT IMPACTS
14 THE CUSTOMER SIDE OF THE UTILITY METER, INCLUDING ENERGY EFFICIENCY
15 PROGRAMS, BENEFICIAL ELECTRIFICATION PROGRAMS, AND DEMAND RESPONSE
16 PROGRAMS.

17 (C) “BENEFICIAL ELECTRIFICATION” MEANS THE REPLACEMENT OF THE
18 DIRECT USE OF FOSSIL ~~FUEL~~ FUELS IN BUILDINGS WITH THE USE OF ELECTRICITY
19 IN A MANNER THAT:

20 (1) REDUCES OVERALL LIFETIME GREENHOUSE GAS EMISSIONS;
21 ~~ENERGY USE~~;

22 (2) ~~OR~~ CUSTOMERS’ ENERGY COSTS; OR

23 (3) ENABLES BETTER MANAGEMENT OF THE ELECTRIC GRID.

24 (D) “CARBON DIOXIDE EQUIVALENT” MEANS THE MEASUREMENT OF A
25 GIVEN WEIGHT OF A GREENHOUSE GAS THAT HAS THE SAME GLOBAL WARMING
26 POTENTIAL, MEASURED OVER A SPECIFIC PERIOD OF TIME, AS 1 METRIC TON OF
27 CARBON DIOXIDE.

28 (E) “DEMAND RESPONSE PROGRAM” MEANS A PROGRAM ESTABLISHED BY
29 AN ELECTRIC COMPANY, AN ELECTRICITY SUPPLIER, OR A THIRD PARTY THAT
30 PROMOTES CHANGES IN ELECTRIC USAGE BY CUSTOMERS FROM THEIR NORMAL
31 CONSUMPTION PATTERNS IN RESPONSE TO:

1 (1) CHANGES IN THE PRICE OF ELECTRICITY OVER TIME; OR

2 (2) INCENTIVES DESIGNED TO:

3 (I) INDUCE LOWER ELECTRICITY USE AT TIMES OF HIGH
4 WHOLESALE MARKET PRICES; OR ~~WHEN~~

5 (II) ENSURE SYSTEM RELIABILITY IS JEOPARDIZED.

6 (F) “DEPARTMENT” MEANS THE DEPARTMENT OF HOUSING AND
7 COMMUNITY DEVELOPMENT.

8 ~~(F)~~ (G) “ENERGY EFFICIENCY” MEANS THE USE OF LESS ENERGY TO
9 PERFORM THE SAME TASK OR PRODUCE THE SAME RESULT.

10 ~~(G)~~ (H) “FRONT-OF-METER COMMUNITY PROGRAM” MEANS A PROGRAM
11 THAT:

12 (1) IS SEPARATE FROM FRONT-OF-METER UTILITY PROGRAMS;

13 (2) IMPACTS THE UTILITY SIDE OF THE METER; AND

14 (3) DIRECTLY BENEFITS A SET OF CUSTOMERS.

15 ~~(H)~~ (I) “FRONT-OF-METER UTILITY PROGRAM” MEANS A PROGRAM
16 THAT IMPACTS THE UTILITY SIDE OF A METER AND BENEFITS ALL UTILITY
17 CUSTOMERS, INCLUDING ENERGY EFFICIENCY PROGRAMS, BENEFICIAL
18 ELECTRIFICATION PROGRAMS, AND DEMAND RESPONSE PROGRAMS.

19 ~~(I)~~ (J) “GREENHOUSE GAS” INCLUDES:

20 (1) CARBON DIOXIDE;

21 (2) METHANE;

22 (3) NITROUS OXIDE;

23 (4) HYDROFLUOROCARBONS;

24 (5) PERFLUOROCARBONS; AND

25 (6) SULFUR HEXAFLUORIDE.

1 ~~(J)~~ (K) "GREENHOUSE GAS EMISSIONS REDUCTION" MEANS A
 2 REDUCTION IN GREENHOUSE GAS EMISSIONS, MEASURED IN METRIC TONS OF
 3 CARBON DIOXIDE EQUIVALENTS, INCLUDING:

4 (1) GREENHOUSE GAS EMISSIONS FROM THE GENERATION OF
 5 ELECTRICITY DELIVERED TO AND CONSUMED IN THE STATE; AND

6 (2) LINE LOSSES FROM THE TRANSMISSION AND DISTRIBUTION OF
 7 ELECTRICITY, REGARDLESS OF WHETHER THE ELECTRICITY IS GENERATED
 8 IN-STATE OR IMPORTED.

9 (L) "LOW-INCOME PROGRAM" MEANS A PROGRAM THAT DELIVERS ENERGY
 10 EFFICIENCY, CONSERVATION, AND GREENHOUSE GAS EMISSIONS REDUCTION
 11 MEASURES TO REDUCE UTILITY EXPENSES FOR BUILDING OWNERS, MANAGERS, AND
 12 TENANTS OF HOUSING WITH RESIDENTS WHO QUALIFY FOR THE DEPARTMENT'S
 13 LOW-INCOME ASSISTANCE PROGRAMS, INCLUDING:

14 (1) THE EMPOWER MARYLAND LIMITED INCOME ENERGY
 15 EFFICIENCY PROGRAM;

16 (2) THE MULTIFAMILY ENERGY EFFICIENCY AND HOUSING
 17 AFFORDABILITY PROGRAM; AND

18 (3) THE WEATHERIZATION ASSISTANCE PROGRAM.

19 (M) "LOW-INCOME RESIDENTIAL" MEANS A COMMUNITY, BUILDING, OR
 20 HOUSEHOLD WITH RESIDENTS THAT:

21 (1) HAVE INCOMES BELOW 250% OF THE FEDERAL POVERTY LEVEL
 22 AS DETERMINED BY THE FEDERAL CENSUS; OR

23 (2) MEET THE ELIGIBILITY CRITERIA APPROVED BY THE
 24 COMMISSION FOR LOW-INCOME PROGRAMS.

25 ~~(K)~~ (N) "NON-ENERGY PROGRAM" MEANS A PROGRAM WITH ~~UTILITY~~
 26 GREENHOUSE GAS EMISSIONS REDUCTION BENEFITS THAT ARE PRIMARILY
 27 NON-ENERGY-BASED.

28 ~~(L)~~ (O) "PLAN" MEANS ANY COMBINATION OF BEHIND-THE-METER
 29 PROGRAMS, FRONT-OF-METER COMMUNITY PROGRAMS, FRONT-OF-METER
 30 UTILITY PROGRAMS, OR NON-ENERGY PROGRAMS THAT:

31 (1) ACHIEVE ~~ENERGY EFFICIENCY, CONSERVATION, AND~~
 32 GREENHOUSE GAS EMISSIONS REDUCTION TARGETS REDUCTIONS THROUGH

1 ENERGY EFFICIENCY, CONSERVATION, DEMAND RESPONSE, AND BENEFICIAL
2 ELECTRIFICATION; AND

3 (2) INCLUDE A COST RECOVERY PROPOSAL.

4 (P) “TASK FORCE” MEANS THE GREEN AND HEALTHY TASK FORCE
5 ESTABLISHED UNDER § 7-315 OF THIS TITLE.

6 7-221.

7 THE GENERAL ASSEMBLY FINDS AND DECLARES THAT ENERGY EFFICIENCY
8 IS:

9 (1) AMONG THE LEAST EXPENSIVE WAYS TO MEET THE ENERGY
10 DEMANDS OF THE STATE;

11 (2) A MEANS OF AFFORDABLE, RELIABLE, AND CLEAN ENERGY FOR
12 CONSUMERS OF MARYLAND; AND

13 (3) ONE METHOD TO ACHIEVE MARYLAND’S CLIMATE COMMITMENTS
14 FOR REDUCING STATEWIDE GREENHOUSE GAS EMISSIONS, INCLUDING THOSE
15 SPECIFIED IN TITLE 2, SUBTITLE 12 OF THE ENVIRONMENT ARTICLE.

16 7-222.

17 (A) SUBJECT TO REVIEW AND APPROVAL BY THE COMMISSION, EACH
18 ELECTRIC COMPANY ~~AND~~, EACH GAS COMPANY, AND THE DEPARTMENT SHALL
19 DEVELOP AND IMPLEMENT PROGRAMS AND SERVICES IN ACCORDANCE WITH §§
20 7-223 AND, 7-224, AND 7-225 OF THIS SUBTITLE TO ENCOURAGE AND PROMOTE
21 THE EFFICIENT USE AND CONSERVATION OF ENERGY, DEMAND RESPONSE, AND
22 BENEFICIAL ELECTRIFICATION BY CONSUMERS, ELECTRIC COMPANIES, ~~AND~~ GAS
23 COMPANIES, AND THE DEPARTMENT IN SUPPORT OF THE GREENHOUSE GAS
24 EMISSIONS REDUCTION GOALS AND TARGETS SPECIFIED IN §§ 2-1201 AND 2-1204.1
25 OF THE ENVIRONMENT ARTICLE.

26 (B) AS DIRECTED BY THE COMMISSION, EACH MUNICIPAL ELECTRIC OR GAS
27 UTILITY AND EACH ELECTRIC COOPERATIVE THAT SERVES A POPULATION OF LESS
28 THAN 250,000 IN ITS DISTRIBUTION TERRITORY SHALL INCLUDE ENERGY
29 EFFICIENCY AND CONSERVATION, DEMAND RESPONSE, AND BENEFICIAL
30 ELECTRIFICATION PROGRAMS OR SERVICES AS PART OF THEIR SERVICE TO THEIR
31 CUSTOMERS.

32 (C) THE COMMISSION SHALL ENCOURAGE AND PROMOTE THE EFFICIENT
33 USE AND CONSERVATION OF ENERGY IN SUPPORT OF THE GREENHOUSE GAS

1 EMISSIONS REDUCTION GOALS AND TARGETS SPECIFIED IN §§ 2-1201 AND 2-1204.1
2 OF THE ENVIRONMENT ARTICLE ~~AND SET~~, ESTABLISHED BY THE COMMISSION
3 UNDER ~~§ 7-223(A)~~ § 7-223(B) OF THIS SUBTITLE, AND SPECIFIED IN § 7-224(A)(2)
4 OF THIS SUBTITLE BY:

5 (1) REQUIRING EACH ELECTRIC COMPANY AND GAS COMPANY TO
6 ESTABLISH ANY PROGRAM OR SERVICE THAT THE COMMISSION DETERMINES TO BE
7 APPROPRIATE AND COST-EFFECTIVE;

8 (2) ADOPTING RATE-MAKING POLICIES THAT PROVIDE, THROUGH A
9 SURCHARGE LINE ITEM ON CUSTOMER BILLS:

10 (I) ~~ON OR BEFORE JANUARY 1, 2027, FULL COST RECOVERY~~
11 ~~AND REASONABLE FINANCIAL INCENTIVES FOR ELECTRIC COMPANIES AND GAS~~
12 ~~COMPANIES THROUGH A SURCHARGE OR BASE RATE RECOVERY, INCLUDING THE~~
13 ~~ELECTRIC COMPANY OR GAS COMPANY'S AUTHORIZED RATE OF RETURN, FOR THE~~
14 ~~ELECTRIC COMPANY OR GAS COMPANY'S INVESTMENTS IN PROGRAMS AND~~
15 ~~RESOURCES~~ OF REASONABLY INCURRED COSTS FOR PROGRAMS AND SERVICES
16 ESTABLISHED UNDER ITEM (1) OF THIS SUBSECTION, INCLUDING FULL RECOVERY
17 ON A CURRENT BASIS ON OR BEFORE JANUARY 1, 2027;

18 (II) ON OR BEFORE DECEMBER 31, 2031, THE ELIMINATION OF
19 ANY UNPAID COSTS AND UNAMORTIZED COSTS THAT:

20 1. A. EXISTED ON DECEMBER 31, 2023; OR

21 B. WERE INCURRED BEFORE JANUARY 1, 2027; AND

22 2. WERE ACCRUED FOR THE PURPOSE OF ACHIEVING
23 STATUTORY TARGETS FOR ANNUAL INCREMENTAL GROSS ENERGY SAVINGS; AND

24 (III) COMPENSATION FOR ANY UNPAID COSTS AND
25 UNAMORTIZED COSTS UNDER ITEM (II) OF THIS ITEM AT NO MORE THAN EACH
26 ELECTRIC COMPANY'S AND EACH GAS COMPANY'S AVERAGE COST OF OUTSTANDING
27 DEBT; AND

28 (III) (IV) REASONABLE FINANCIAL PERFORMANCE INCENTIVES
29 AND PENALTIES FOR INVESTOR-OWNED ELECTRIC COMPANIES AND GAS
30 COMPANIES, AS APPROPRIATE; AND

31 (3) ENSURING THAT ADOPTION OF ELECTRIC CUSTOMER CHOICE
32 UNDER SUBTITLE 5 OF THIS TITLE AND GAS CUSTOMER CHOICE UNDER SUBTITLE 6
33 OF THIS TITLE DO NOT ADVERSELY IMPACT THESE GOALS AND TARGETS.

1 7-223.

2 ~~(A) (1) EXCEPT AS PROVIDED IN § 7-222(B) OF THIS SUBTITLE,~~
3 ~~BEGINNING SEPTEMBER 1, 2023, AND EVERY 3 YEARS THEREAFTER, THE~~
4 ~~COMMISSION SHALL REQUIRE EACH ELECTRIC COMPANY AND EACH GAS COMPANY~~
5 ~~TO:~~

6 ~~(I) DEVELOP A PLAN FOR PROCURING OR PROVIDING FOR ITS~~
7 ~~CUSTOMERS COST EFFECTIVE ENERGY EFFICIENCY, CONSERVATION, AND~~
8 ~~GREENHOUSE GAS EMISSIONS REDUCTION PROGRAMS AND SERVICES IN~~
9 ~~ACCORDANCE WITH § 7-224 OF THIS SUBTITLE; AND~~

10 ~~(II) PROCURE OR PROVIDE FOR ITS CUSTOMERS~~
11 ~~COST EFFECTIVE ENERGY EFFICIENCY, CONSERVATION, AND GREENHOUSE GAS~~
12 ~~EMISSIONS REDUCTION PROGRAMS AND SERVICES.~~

13 ~~(2) THE COMMISSION SHALL ENSURE THAT THE PROGRAMS AND~~
14 ~~SERVICES PROCURED OR PROVIDED BY AN ELECTRIC COMPANY OR GAS COMPANY:~~

15 ~~(I) HAVE PROJECTED AND VERIFIABLE ENERGY EFFICIENCY,~~
16 ~~CONSERVATION, AND GREENHOUSE GAS EMISSIONS REDUCTIONS FOR EACH~~
17 ~~AFFECTED CUSTOMER CLASS;~~

18 ~~(II) ACHIEVE GROSS GREENHOUSE GAS EMISSIONS REDUCTION~~
19 ~~TARGETS AS SET BY THE COMMISSION; AND~~

20 ~~(III) ARE COMPOSED OF SUFFICIENT PERCENTAGES, AS~~
21 ~~DETERMINED BY THE COMMISSION, OF BEHIND THE METER PROGRAMS,~~
22 ~~NON-ENERGY PROGRAMS, FRONT OF METER COMMUNITY PROGRAMS, AND~~
23 ~~FRONT OF METER UTILITY PROGRAMS.~~

24 (A) ON OR BEFORE JANUARY 1, 2024, THE COMMISSION SHALL, BY
25 REGULATION OR ORDER, REQUIRE EACH ELECTRIC COMPANY AND EACH GAS
26 COMPANY TO DEVELOP AND IMPLEMENT A PLAN THAT:

27 (1) COVERS EACH RATEPAYER CLASS;

28 (2) COVERS A 3-YEAR PROGRAM CYCLE; AND

29 (3) ACHIEVES THE GREENHOUSE GAS EMISSIONS REDUCTION
30 TARGET ESTABLISHED FOR THE ELECTRIC COMPANY OR GAS COMPANY UNDER
31 SUBSECTION (B) OF THIS SECTION THROUGH COST-EFFECTIVE ENERGY EFFICIENCY
32 AND CONSERVATION PROGRAMS AND SERVICES, DEMAND RESPONSE PROGRAMS
33 AND SERVICES, AND BENEFICIAL ELECTRIFICATION PROGRAMS AND SERVICES.

1 **(B) (1) FOR EACH 3-YEAR PROGRAM CYCLE, THE COMMISSION SHALL**
2 **ESTABLISH A GREENHOUSE GAS EMISSIONS REDUCTION TARGET FOR EACH**
3 **ELECTRIC COMPANY AND EACH GAS COMPANY AS PROVIDED IN THIS SUBSECTION.**

4 **(2) WHEN ESTABLISHING GREENHOUSE GAS EMISSIONS REDUCTION**
5 **TARGETS UNDER THIS SUBSECTION, THE COMMISSION SHALL MEASURE THE**
6 **GREENHOUSE GAS EMISSIONS FROM ELECTRICITY USING DATA OBTAINED FROM**
7 **PJM INTERCONNECTION ON MARGINAL GREENHOUSE GAS EMISSIONS RATES FROM**
8 **THE PREVIOUS YEAR.**

9 **(3) AS A BASELINE FOR DETERMINING GREENHOUSE GAS EMISSIONS**
10 **REDUCTIONS UNDER THIS SUBSECTION, THE COMMISSION SHALL USE THE**
11 **GREENHOUSE GAS EMISSIONS RESULTING FROM THE DIRECT CONSUMPTION OF GAS**
12 **AND ELECTRICITY IN MARYLAND BUILDINGS IN 2020, AS DETERMINED BY THE**
13 **DEPARTMENT OF THE ENVIRONMENT.**

14 **(4) FOR THE TIME PERIOD 2024-2032, THE COMMISSION SHALL**
15 **DETERMINE AN OVERALL STATEWIDE GREENHOUSE GAS EMISSIONS REDUCTION**
16 **TARGET BASED ON AN AVERAGE ANNUAL REDUCTION OF AT LEAST 1.8% OF THE**
17 **BASELINE DETERMINED UNDER PARAGRAPH (3) OF THIS SUBSECTION.**

18 **(C) THE COMMISSION MAY PRIORITIZE LONG-LIVED GREENHOUSE GAS**
19 **EMISSIONS REDUCTION MEASURES IN THE PLANS BY ESTABLISHING A MINIMUM**
20 **WEIGHTED AVERAGE MEASURE LIFE FOR THE PLAN OF EACH ELECTRIC COMPANY**
21 **AND GAS COMPANY.**

22 ~~(3)~~ **(D) CONTRIBUTIONS TO GREENHOUSE GAS EMISSIONS**
23 **REDUCTION GOALS AND TARGETS IN A PLAN OF AN ELECTRIC COMPANY OR A GAS**
24 **COMPANY:**

25 **(1) MAY ~~INCLUDE PROGRAMS AND RESOURCES THAT ARE~~**
26 **~~RECOVERED~~, NOTWITHSTANDING § 7-222(C)(2) OF THIS SUBTITLE, INCLUDE**
27 **RECOVERY OF THE REASONABLE AND PRUDENT COSTS FROM PROGRAMS THAT ARE**
28 **NOT BEHIND-THE-METER PROGRAMS IN A BASE RATE PROCEEDING, SUBJECT TO**
29 **COMMISSION APPROVAL; AND**

30 **(2) MAY NOT INCLUDE THE INCREASED ADOPTION OF ELECTRIC**
31 **VEHICLES.**

32 **(E) BEGINNING JANUARY 1, 2024, AT LEAST 80% OF THE GREENHOUSE GAS**
33 **EMISSIONS REDUCTIONS COUNTED TOWARD EACH ELECTRIC COMPANY'S AND EACH**
34 **GAS COMPANY'S GREENHOUSE GAS EMISSIONS REDUCTION TARGETS ESTABLISHED**
35 **UNDER THIS SECTION SHALL COME FROM BEHIND-THE-METER PROGRAMS.**

1 7-224.

2 ~~(B)~~ (A) (1) BEGINNING ~~SEPTEMBER 1, 2023~~ JANUARY 1, 2024, AND
3 EVERY 3 YEARS THEREAFTER, THE DEPARTMENT OF ~~HOUSING AND COMMUNITY~~
4 ~~DEVELOPMENT~~ SHALL PROCURE OR PROVIDE TO LOW- AND MODERATE-INCOME
5 INDIVIDUALS ENERGY EFFICIENCY, AND CONSERVATION PROGRAMS AND SERVICES,
6 DEMAND RESPONSE PROGRAMS AND SERVICES, AND BENEFICIAL ELECTRIFICATION
7 PROGRAMS AND SERVICES THAT ACHIEVE THE GREENHOUSE GAS EMISSIONS
8 REDUCTION PROGRAMS AND SERVICES TARGETS ESTABLISHED FOR THE
9 DEPARTMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION.

10 (2) FOR THE TIME PERIOD 2024-2032, THE PROGRAMS AND
11 SERVICES REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE ON A
12 TRAJECTORY TO ACHIEVE GREENHOUSE GAS REDUCTIONS AFTER 2026 OF AT LEAST
13 0.9% OF THE BASELINE DETERMINED UNDER SUBSECTION (G) OF THIS SECTION.

14 (3) THE GREENHOUSE GAS REDUCTIONS ACHIEVED TO MEET THE
15 TARGETS ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL COUNT
16 TOWARD THE ACHIEVEMENT OF THE GREENHOUSE GAS REDUCTION TARGET
17 ESTABLISHED UNDER § 7-223(B) OF THIS SUBTITLE.

18 ~~(2)~~ (B) (1) THE DEPARTMENT OF ~~HOUSING AND COMMUNITY~~
19 ~~DEVELOPMENT~~ MAY PROCURE OR PROVIDE SAVINGS THAT ARE ACHIEVED
20 THROUGH FUNDING SOURCES THAT MEET THE STANDARDS OF PROGRAM FUNDING
21 THROUGH UTILITY RATES OR THE U.S. DEPARTMENT OF ENERGY.

22 (2) THE DEPARTMENT MAY USE THE SAVINGS ACHIEVED THROUGH
23 ALL FUNDING SOURCES TOWARD CALCULATING THE TARGETED GREENHOUSE GAS
24 REDUCTIONS IF THE FUNDING SOURCES MEET THE STANDARDS OF PROGRAMS
25 FUNDED THROUGH:

26 (I) A SURCHARGE UNDER § 7-222 OF THIS SUBTITLE; OR

27 (II) THE U.S. DEPARTMENT OF ENERGY.

28 ~~(3)~~ (C) ~~THE~~ ON OR BEFORE SEPTEMBER 1, 2023, AND EVERY 3
29 YEARS THEREAFTER, THE DEPARTMENT OF HOUSING AND COMMUNITY
30 ~~DEVELOPMENT~~ SHALL SUBMIT ITS PLANS FOR ANY PROGRAMS OR SERVICES
31 PROCURED OR PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION
32 SUBSECTION (A) OF THIS SECTION TO THE COMMISSION FOR REVIEW AND
33 APPROVAL.

1 **(D) FOR WEATHERIZATION OF LEASED OR RENTED RESIDENCES, THE**
2 **DEPARTMENT SHALL ADOPT REGULATIONS TO ENSURE THAT:**

3 **(1) THE BENEFITS OF WEATHERIZATION ASSISTANCE, INCLUDING**
4 **UTILITY BILL REDUCTION AND PRESERVATION OF AFFORDABLE HOUSING STOCK,**
5 **ACCRUE PRIMARILY TO LOW-INCOME TENANTS OCCUPYING A LEASED OR RENTED**
6 **RESIDENCE; AND**

7 **(2) THE RENT ON THE RESIDENCE IS NOT INCREASED AND THE**
8 **TENANT IS NOT EVICTED AS A RESULT OF WEATHERIZATION PROVIDED UNDER THIS**
9 **SECTION.**

10 **(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
11 **PROGRAMS AND SERVICES PROVIDED UNDER SUBSECTION (A) OF THIS SECTION MAY**
12 **NOT USE THERMAL INSULATING MATERIALS FOR BUILDING ELEMENTS, INCLUDING**
13 **WALLS, FLOORS, CEILINGS, ATTICS, AND ROOF INSULATION, THAT CONTAIN**
14 **FORMALDEHYDE.**

15 **(2) THERMAL INSULATING MATERIALS FOR BUILDING ELEMENTS**
16 **MAY NOT CONTAIN FORMALDEHYDE IF THE FORMALDEHYDE:**

17 **(I) WAS INTENTIONALLY ADDED; OR**

18 **(II) IS PRESENT IN THE PRODUCT AT GREATER THAN 0.1% BY**
19 **WEIGHT.**

20 **(F) THE DEPARTMENT'S APPROVED CONTRACTORS USED FOR THE**
21 **PROGRAMS UNDER THIS SECTION SHALL MEET THE FOLLOWING JOB**
22 **REQUIREMENTS:**

23 **(1) PAY AT LEAST 150% OF THE STATE MINIMUM WAGE;**

24 **(2) PROVIDE CAREER ADVANCEMENT TRAINING;**

25 **(3) AFFORD EMPLOYEES THE RIGHT TO BARGAIN COLLECTIVELY FOR**
26 **WAGES AND BENEFITS;**

27 **(4) PROVIDE PAID LEAVE;**

28 **(5) BE CONSIDERED COVERED EMPLOYMENT FOR PURPOSES OF**
29 **UNEMPLOYMENT INSURANCE BENEFITS IN ACCORDANCE WITH TITLE 8 OF THE**
30 **LABOR AND EMPLOYMENT ARTICLE;**

1 **(6) ENTITLE THE EMPLOYEE TO WORKERS' COMPENSATION BENEFITS**
2 **IN ACCORDANCE WITH TITLE 9 OF THE LABOR AND EMPLOYMENT ARTICLE;**

3 **(7) BE COMPLIANT WITH FEDERAL AND STATE WAGE AND HOUR LAWS**
4 **FOR THE PREVIOUS 3 YEARS;**

5 **(8) OFFER EMPLOYER-PROVIDED HEALTH INSURANCE BENEFITS**
6 **WITH MONTHLY PREMIUMS THAT DO NOT EXCEED 8.5% OF THE EMPLOYEE'S NET**
7 **MONTHLY EARNINGS; AND**

8 **(9) OFFER RETIREMENT BENEFITS.**

9 **(G) AS A BASELINE FOR DETERMINING GREENHOUSE GAS EMISSIONS**
10 **REDUCTION TARGETS UNDER THIS ~~SUBSECTION~~ SECTION, THE COMMISSION SHALL**
11 **USE THE GREENHOUSE EMISSIONS RESULTING FROM THE DIRECT CONSUMPTION OF**
12 **GAS AND ELECTRICITY BY LOW- AND MODERATE-INCOME RESIDENTIAL**
13 **HOUSEHOLDS IN 2020, AS DETERMINED BY THE DEPARTMENT OF THE**
14 **ENVIRONMENT.**

15 **(H) (1) THE DEPARTMENT SHALL DEVELOP A PLAN TO COORDINATE**
16 **FUNDING SOURCES AND LEVERAGE THE GREATEST FUNDING POSSIBLE TO SUPPORT**
17 **A WHOLE HOME APPROACH BY ADDRESSING:**

18 **(I) HEALTH AND SAFETY UPGRADES;**

19 **(II) WEATHERIZATION;**

20 **(III) ENERGY EFFICIENCY; AND**

21 **(IV) OTHER GENERAL MAINTENANCE FOR LOW-INCOME**
22 **HOUSING.**

23 **(2) THE PLAN SHALL COORDINATE FUNDING AMONG:**

24 **(I) THE STRATEGIC ENERGY INVESTMENT FUND;**

25 **(II) FEDERAL WEATHERIZATION ASSISTANCE PROGRAMS;**

26 **(III) RATEPAYER CONTRIBUTIONS TO:**

27 **1. THE EMPOWER MARYLAND LIMITED INCOME**
28 **ENERGY EFFICIENCY PROGRAM; AND**

1 **2. THE MULTIFAMILY ENERGY EFFICIENCY AND**
2 **HOUSING AFFORDABILITY PROGRAM;**

3 **(IV) THE MARYLAND AFFORDABLE HOUSING TRUST FUND;**

4 **(V) U.S. DEPARTMENT OF HOUSING AND URBAN**
5 **DEVELOPMENT PROGRAMS, INCLUDING:**

6 **1. COMMUNITY DEVELOPMENT BLOCK GRANTS;**

7 **2. THE HOME INVESTMENT PARTNERSHIP GRANTS**
8 **PROGRAM; AND**

9 **3. LEAD HAZARD CONTROL AND HEALTHY HOMES**
10 **GRANTS;**

11 **(VI) U.S. DEPARTMENT OF AGRICULTURE PROGRAMS,**
12 **INCLUDING THE HOME REPAIR PROGRAM;**

13 **(VII) THE HEALTHY HOMES FOR HEALTHY KIDS PROGRAM;**

14 **(VIII) THE ENERGY EFFICIENCY AND CONSERVATION BLOCK**
15 **GRANT PROGRAM;**

16 **(IX) STATE APPROPRIATIONS;**

17 **(X) FUNDS FROM THE FEDERAL INFLATION REDUCTION ACT OF**
18 **2022; AND**

19 **(XI) ANY OTHER SOURCE OF FUNDING THAT THE DEPARTMENT**
20 **OR THE TASK FORCE IDENTIFIES.**

21 **(3) THE DEPARTMENT SHALL ENSURE, FOR ANY WHOLE HOME**
22 **RETROFITS ASSOCIATED WITH WEATHERIZATION PROVIDED OR DEVELOPED UNDER**
23 **THE PLAN, THAT:**

24 **(I) THERE IS A SINGLE POINT OF CONTACT FOR LOW- AND**
25 **MODERATE-INCOME RESIDENTIAL HOUSEHOLDS; AND**

26 **(II) SERVICES ARE OFFERED IN ANY LANGUAGE NEEDED BY THE**
27 **LOW- AND MODERATE-INCOME RESIDENTIAL HOUSEHOLDS.**

1 **(4) THE DEPARTMENT SHALL COLLABORATE WITH THE MEMBERS OF**
 2 **THE TASK FORCE AND IDENTIFY OTHER INTERESTED STAKEHOLDERS TO DEVELOP**
 3 **THE PLAN.**

4 ~~(4)~~ **(5) ON OR BEFORE DECEMBER 31, 2023, THE DEPARTMENT**
 5 **SHALL SUBMIT THE PLAN TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257**
 6 **OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

7 **(I) THE DEPARTMENT, THE MARYLAND ENERGY ADMINISTRATION, AND**
 8 **OTHER STATE AGENCIES SHALL APPLY FOR ALL FEDERAL FUNDING THAT MAY**
 9 **BECOME AVAILABLE TO CARRY OUT THIS SECTION.**

10 **(J) (1) THE DEPARTMENT SHALL COLLABORATE WITH THE MEMBERS OF**
 11 **THE TASK FORCE TO DEVELOP A PLAN, INCLUDING A BUDGET, A TIMELINE, AND**
 12 **POTENTIAL FUNDING SOURCES, TO PROVIDE ENERGY EFFICIENCY RETROFITS TO**
 13 **ALL LOW-INCOME HOUSEHOLDS BY 2031.**

14 **(2) THE DEPARTMENT, IN COLLABORATION WITH THE TASK FORCE,**
 15 **SHALL SUBMIT THE PLAN TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH §**
 16 **2-1257 OF THE STATE GOVERNMENT ARTICLE, ON OR BEFORE DECEMBER 1, 2023.**

17 ~~7-224. 7-225.~~

18 **(A) AS SOON AS POSSIBLE IN 2023, AND AT LEAST 8 MONTHS BEFORE THE**
 19 **FILING DEADLINE FOR PLANS AFTER 2023, THE COMMISSION SHALL ISSUE AN**
 20 **ORDER THAT FULLY ALLOCATES AMONG ELECTRIC COMPANIES, GAS COMPANIES,**
 21 **AND THE DEPARTMENT THE TOTAL AMOUNT OF THE OVERALL STATEWIDE**
 22 **GREENHOUSE GAS EMISSIONS REDUCTION TARGET DETERMINED UNDER § 7-223(B)**
 23 **OF THIS SUBTITLE AND THE GREENHOUSE GAS EMISSIONS REDUCTIONS SPECIFIED**
 24 **IN § 7-224(A)(2) OF THIS SUBTITLE.**

25 **(B) (1) (I) ~~ON OR BEFORE~~ BEGINNING ON JULY 1, 2023, AND ON OR**
 26 **BEFORE JULY 1 EVERY 3 YEARS THEREAFTER, EACH ELECTRIC COMPANY, AND**
 27 **EACH GAS COMPANY THAT SUBMITTED A PLAN FOR ACHIEVING ELECTRICITY**
 28 **SAVINGS AND DEMAND REDUCTION TARGETS TO THE COMMISSION BEFORE JULY 1,**
 29 **2023, AND THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL**
 30 **CONSULT WITH THE TECHNICAL STAFF OF THE COMMISSION, THE OFFICE OF**
 31 **PEOPLE'S COUNSEL, THE MARYLAND ENERGY ADMINISTRATION, AND THE**
 32 **DEPARTMENT OF THE ENVIRONMENT REGARDING THE DESIGN AND ADEQUACY OF**
 33 **ITS PLANS FOR ACHIEVING ~~THE EFFICIENT USE AND CONSERVATION OF ENERGY IN~~**
 34 **SUPPORT OF THE GREENHOUSE GAS EMISSIONS REDUCTION GOALS AND TARGETS**
 35 **SPECIFIED IN ~~§§ 2-1201 AND 2-1204.1 OF THE ENVIRONMENT ARTICLE AND SET~~**
 36 **ESTABLISHED BY THE COMMISSION UNDER § 7-223(A) OF THIS SUBTITLE AND**
 37 **SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.**

1 **(II) ON OR BEFORE OCTOBER 1, 2023, AND ON OR BEFORE JULY**
2 **1 EVERY 3 YEARS THEREAFTER, EACH ELECTRIC COMPANY AND EACH GAS COMPANY**
3 **THAT DID NOT SUBMIT A PLAN FOR ACHIEVING ELECTRICITY SAVINGS AND DEMAND**
4 **REDUCTION TARGETS TO THE COMMISSION BEFORE JULY 1, 2023, SHALL COMPLY**
5 **WITH THE CONSULTING REQUIREMENTS UNDER SUBPARAGRAPH (I) OF THIS**
6 **PARAGRAPH.**

7 **(2) EACH ELECTRIC COMPANY, EACH GAS COMPANY, AND THE**
8 **DEPARTMENT ~~OF HOUSING AND COMMUNITY DEVELOPMENT~~ SHALL PROVIDE THE**
9 **TECHNICAL STAFF OF THE COMMISSION, THE OFFICE OF PEOPLE’S COUNSEL, THE**
10 **MARYLAND ENERGY ADMINISTRATION, AND THE DEPARTMENT OF THE**
11 **ENVIRONMENT WITH ANY ADDITIONAL INFORMATION REGARDING ITS PLAN, AS**
12 **REQUESTED.**

13 **~~(B)~~ (C) (1) (I) ON OR BEFORE SEPTEMBER 1, 2023, AND ON OR**
14 **BEFORE SEPTEMBER 1 EVERY 3 YEARS THEREAFTER, ~~AN~~ EACH ELECTRIC COMPANY,**
15 **~~A~~ AND EACH GAS COMPANY THAT SUBMITTED A PLAN FOR ACHIEVING ELECTRICITY**
16 **SAVINGS AND DEMAND REDUCTION TARGETS TO THE COMMISSION BEFORE JULY 1,**
17 **2023, AND THE DEPARTMENT ~~OF HOUSING AND COMMUNITY DEVELOPMENT~~ SHALL**
18 **SUBMIT ITS PLAN TO THE COMMISSION.**

19 **(II) ON OR BEFORE DECEMBER 1, 2023, AND ON OR BEFORE**
20 **SEPTEMBER 1 EVERY 3 YEARS THEREAFTER, EACH ELECTRIC COMPANY AND EACH**
21 **GAS COMPANY THAT DID NOT SUBMIT A PLAN FOR ACHIEVING ELECTRICITY SAVINGS**
22 **AND DEMAND REDUCTION TARGETS TO THE COMMISSION BEFORE JULY 1, 2023,**
23 **SHALL SUBMIT ITS PLAN TO THE COMMISSION.**

24 **(2) EACH PLAN SHALL DETAIL A PROPOSAL FOR ACHIEVING ~~THE~~**
25 **~~ENERGY EFFICIENCY, CONSERVATION, AND~~ GREENHOUSE GAS EMISSIONS**
26 **REDUCTION TARGETS FOR 3 SUBSEQUENT CALENDAR YEARS.**

27 **(3) (I) EACH PLAN SHALL:**

28 **1. INCLUDE:**

29 **A. A DESCRIPTION OF THE PROPOSED PROGRAMS AND**
30 **SERVICES;**

31 **B. ANTICIPATED COSTS;**

32 **C. PROJECTED BENEFITS, INCLUDING GREENHOUSE**
33 **GAS EMISSIONS REDUCTIONS, ELECTRICITY SAVINGS, AND GAS SAVINGS; AND**

1 D. ANY OTHER INFORMATION REQUESTED BY THE
2 COMMISSION; AND

3 2. ADDRESS RESIDENTIAL, COMMERCIAL, AND
4 INDUSTRIAL SECTORS AS APPROPRIATE, INCLUDING LOW-INCOME COMMUNITIES
5 AND LOW- TO MODERATE-INCOME COMMUNITIES.

6 (II) A PLAN OF THE DEPARTMENT ~~OF HOUSING AND~~
7 ~~COMMUNITY DEVELOPMENT~~ SHALL INCLUDE A DEFINITION OF “LOW- OR
8 MODERATE-INCOME INDIVIDUAL” TO BE USED IN THE PROCUREMENT OR
9 PROVISION OF ENERGY EFFICIENCY, CONSERVATION, AND GREENHOUSE GAS
10 EMISSIONS REDUCTION PROGRAMS AND SERVICES.

11 ~~(C)~~ (D) (1) THE COMMISSION SHALL REVIEW THE PLAN OF EACH
12 ELECTRIC COMPANY, EACH GAS COMPANY, AND THE DEPARTMENT ~~OF HOUSING~~
13 ~~AND COMMUNITY DEVELOPMENT~~ TO DETERMINE WHETHER THE PLAN IS ADEQUATE
14 AND COST-EFFECTIVE IN ACHIEVING THE GREENHOUSE GAS EMISSIONS
15 REDUCTION TARGETS ~~SET~~ ESTABLISHED BY THE COMMISSION UNDER ~~§ 7-223(A)~~ §
16 7-223(B) OF THIS SUBTITLE AND SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.

17 (2) THE COMMISSION SHALL CONSIDER ANY WRITTEN FINDINGS
18 PROVIDED BY THE MARYLAND ENERGY ADMINISTRATION ~~AND~~, THE DEPARTMENT
19 OF THE ENVIRONMENT, AND THE OFFICE OF PEOPLE’S COUNSEL REGARDING THE
20 DESIGN AND ADEQUACY OF THE PLAN.

21 (3) ~~IN~~ SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, IN
22 APPROVING, MODIFYING, OR DENYING THE PLAN OF AN ELECTRIC COMPANY OR A
23 GAS COMPANY, THE COMMISSION SHALL CONSIDER:

24 (I) THE COST-EFFECTIVENESS OF THE RESIDENTIAL ~~AND~~,
25 COMMERCIAL, AND INDUSTRIAL SECTOR SUBPORTFOLIOS BY USING:

26 1. THE PRIMARY STATE JURISDICTION-SPECIFIC TEST,
27 AS DEVELOPED, UPDATED, OR APPROVED BY THE COMMISSION, TO DETERMINE THE
28 COST-EFFECTIVENESS OF A PROGRAM OR SERVICE PROSPECTIVELY, INCLUDING
29 CONSIDERATION OF:

30 A. PARTICIPANT NONENERGY BENEFITS;

31 B. UTILITY NONENERGY BENEFITS; AND

32 C. SOCIETAL NONENERGY BENEFITS; AND

1 **2. A TOTAL RESOURCE COST TEST TO COMPARE THE**
 2 **ELECTRICITY SAVINGS AND DEMAND REDUCTION TARGETS OF THE PROGRAM OR**
 3 **SERVICE WITH THE RESULTS OF SIMILAR PROGRAMS OR SERVICES IMPLEMENTED**
 4 **IN OTHER JURISDICTIONS, INCLUDING:**

5 **A. PARTICIPANT NONENERGY BENEFITS; AND**

6 **B. UTILITY NONENERGY BENEFITS;**

7 **(II) THE IMPACT ON RATES OF EACH RATEPAYER CLASS;**

8 **(III) THE IMPACT ON JOBS;**

9 **(IV) THE IMPACT ON THE ENVIRONMENT; AND**

10 **(V) THE IMPACT ON THE GREENHOUSE GAS EMISSIONS**
 11 **REDUCTION TARGETS SPECIFIED IN §§ 2-1201 AND 2-1204.1 OF THE ENVIRONMENT**
 12 **ARTICLE ~~AND SET~~, ESTABLISHED BY THE COMMISSION UNDER ~~§ 7-223(A)~~ § 7-223(B)**
 13 **OF THIS SUBTITLE, AND SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.**

14 **(4) NONENERGY BENEFITS CONSIDERED UNDER PARAGRAPH (3) OF**
 15 **THIS SUBSECTION SHALL BE QUANTIFIABLE AND DIRECTLY RELATED TO A**
 16 **PROGRAM OR SERVICE.**

17 ~~(4)~~ **(5) (I) IN APPROVING, MODIFYING, OR DENYING THE PLAN**
 18 **OF THE DEPARTMENT ~~OF HOUSING AND COMMUNITY DEVELOPMENT~~, THE**
 19 **COMMISSION SHALL CONSIDER:**

20 **1. SUBJECT TO SUBPARAGRAPH (II) OF THIS**
 21 **PARAGRAPH, THE COST-EFFECTIVENESS OF THE PLAN BY USING THE PRIMARY**
 22 **STATE JURISDICTION-SPECIFIC TEST, AS DEVELOPED, UPDATED, OR APPROVED BY**
 23 **THE COMMISSION;**

24 **2. THE IMPACT ON RATES OF EACH RATEPAYER CLASS;**

25 **3. THE IMPACT ON JOBS;**

26 **4. THE IMPACT ON THE ENVIRONMENT; AND**

27 **5. THE IMPACT ON THE GREENHOUSE GAS EMISSIONS**
 28 **TARGETS SPECIFIED IN §§ 2-1201 AND 2-1204.1 OF THE ENVIRONMENT ARTICLE**

1 ~~AND SET, ESTABLISHED BY THE COMMISSION UNDER § 7-223(A) § 7-223(B) OF THIS~~
2 ~~SUBTITLE, AND SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.~~

3 (II) THE PROGRAMS AND SERVICES OFFERED BY THE
4 ~~DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT~~ ARE NOT REQUIRED
5 TO BE COST-EFFECTIVE.

6 ~~(D)~~ (E) THE DEPARTMENT OF THE ENVIRONMENT SHALL PREPARE AND
7 SUBMIT TO THE COMMISSION AN ANALYSIS REGARDING THE ADEQUACY OF THE
8 PLAN IN SUPPORTING THE STATE'S GREENHOUSE GAS EMISSIONS REDUCTION
9 GOALS SPECIFIED IN §§ 2-1201 AND 2-1204.1 OF THE ENVIRONMENT ARTICLE ~~AND~~
10 ~~SET, ESTABLISHED BY THE COMMISSION UNDER § 7-223(A) § 7-223(B) OF THIS~~
11 ~~SUBTITLE, AND SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.~~

12 ~~7-225. 7-226.~~

13 (A) (1) EACH ELECTRIC COMPANY, EACH GAS COMPANY, AND THE
14 ~~DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT~~ SHALL PROVIDE TO
15 THE COMMISSION EVERY 6 MONTHS AN UPDATE ON PLAN IMPLEMENTATION AND
16 PROGRESS MADE TOWARD ACHIEVING ~~THE EFFICIENT USE AND CONSERVATION OF~~
17 ~~ENERGY IN SUPPORT OF~~ THE GREENHOUSE GAS EMISSIONS REDUCTION GOALS AND
18 TARGETS SPECIFIED IN ~~§§ 2-1201 AND 2-1204.1 OF THE ENVIRONMENT ARTICLE~~
19 ~~AND SET ESTABLISHED BY THE COMMISSION UNDER § 7-223(A) § 7-223(B) OF THIS~~
20 ~~SUBTITLE AND SPECIFIED IN § 7-224(A)(2) OF THIS SUBTITLE.~~

21 (2) THE COMMISSION SHALL MONITOR AND ANALYZE THE IMPACT OF
22 EACH PROGRAM AND SERVICE TO ENSURE THAT THE OUTCOME OF EACH PROGRAM
23 AND SERVICE PROVIDES THE BEST POSSIBLE RESULTS.

24 (3) IN MONITORING AND ANALYZING THE IMPACT OF A PROGRAM OR
25 SERVICE UNDER PARAGRAPH (2) OF THIS SUBSECTION, IF THE COMMISSION FINDS
26 THAT THE OUTCOME OF THE PROGRAM OR SERVICE MAY NOT BE PROVIDING THE
27 BEST POSSIBLE RESULTS, THE COMMISSION SHALL DIRECT THE ELECTRIC
28 COMPANY, THE GAS COMPANY, OR THE ~~DEPARTMENT OF HOUSING AND~~
29 ~~COMMUNITY DEVELOPMENT~~ TO INCLUDE IN ITS NEXT UPDATE UNDER PARAGRAPH
30 (1) OF THIS SUBSECTION SPECIFIC MEASURES TO ADDRESS THE FINDINGS.

31 (B) (1) AT LEAST ONCE EACH YEAR, EACH ELECTRIC COMPANY AND EACH
32 GAS COMPANY SHALL NOTIFY AFFECTED CUSTOMERS OF THE ENERGY EFFICIENCY
33 AND CONSERVATION AND GREENHOUSE GAS REDUCTION CHARGES IMPOSED AND
34 BENEFITS CONFERRED.

1 (2) THE NOTICE SHALL BE PROVIDED BY PUBLICATION ON THE
2 COMPANY'S WEBSITE AND INCLUSION WITH BILLING INFORMATION SUCH AS A BILL
3 INSERT OR BILL MESSAGE.

4 (c) ON OR BEFORE MAY 1 EACH YEAR, THE COMMISSION SHALL REPORT,
5 IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, TO THE
6 GENERAL ASSEMBLY ON:

7 (1) THE STATUS OF PROGRAMS AND SERVICES ~~TO ENCOURAGE AND~~
8 ~~PROMOTE ENERGY EFFICIENCY, CONSERVATION, AND GREENHOUSE GAS EMISSIONS~~
9 ~~REDUCTIONS~~ APPROVED UNDER THIS SUBTITLE, INCLUDING AN EVALUATION OF
10 THE IMPACT OF THE PROGRAMS AND SERVICES THAT ARE DIRECTED TO
11 LOW-INCOME COMMUNITIES, LOW- TO MODERATE-INCOME COMMUNITIES TO THE
12 EXTENT POSSIBLE, AND OTHER PARTICULAR CLASSES OF RATEPAYERS; ~~AND~~

13 (2) A RECOMMENDATION FOR THE APPROPRIATE FUNDING LEVEL TO
14 ADEQUATELY FUND THESE PROGRAMS AND SERVICES;

15 (3) THE PER CAPITA ELECTRICITY CONSUMPTION AND THE WINTER
16 AND SUMMER PEAK DEMAND FOR THE PREVIOUS CALENDAR YEAR; AND

17 (4) BEGINNING MAY 1, 2025, PROGRESS MADE TOWARDS REDUCING
18 GREENHOUSE GAS EMISSIONS IN ACCORDANCE WITH §§ 7-223 AND 7-224 OF THIS
19 SUBTITLE.

20 ~~7-226.~~ 7-227.

21 (A) NOTWITHSTANDING ANY OTHER LAW, THE COMMISSION MAY NOT
22 REQUIRE OR ALLOW AN ELECTRIC COMPANY OR A GAS COMPANY TO REQUIRE A
23 CUSTOMER TO AUTHORIZE THE ELECTRIC COMPANY OR GAS COMPANY TO CONTROL
24 THE AMOUNT OF THE CUSTOMER'S ELECTRICITY USAGE OR GAS USAGE.

25 (B) A CUSTOMER MAY PROVIDE CONSENT TO PARTICIPATE IN A PROGRAM
26 OF AN ELECTRIC COMPANY OR A GAS COMPANY PROVIDING DIRECT LOAD CONTROL
27 OR OTHER UTILITY MANIPULATION OF A CUSTOMER'S ELECTRICITY OR GAS USAGE.

28 7-228.

29 (A) EACH ELECTRIC COMPANY AND EACH GAS COMPANY SHALL PROMOTE
30 THE AVAILABILITY OF FEDERAL AND STATE REBATES, TAX CREDITS, AND
31 INCENTIVES THAT CAN BE USED TO SUPPORT ENERGY EFFICIENCY INVESTMENTS,
32 ENERGY EFFICIENT AND NON-FOSSIL-FUEL-POWERED APPLIANCES AND COOKING

1 EQUIPMENT, BREAKER BOX UPGRADES, AND PORTABLE HEATING AND COOLING
2 EQUIPMENT.

3 (B) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS
4 SECTION.

5 7-315.

6 (A) IN THIS SECTION, "LOW-EMISSIONS HOUSING" MEANS HOUSING THAT IS
7 ENGINEERED TO OR USES MEASURES THAT REDUCE GREENHOUSE GAS EMISSIONS.

8 (B) THERE IS A GREEN AND HEALTHY TASK FORCE.

9 (C) THE TASK FORCE CONSISTS OF THE FOLLOWING MEMBERS:

10 (1) TWO MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY
11 THE PRESIDENT OF THE SENATE;

12 (2) TWO MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY
13 THE SPEAKER OF THE HOUSE;

14 (3) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT,
15 OR THE SECRETARY'S DESIGNEE;

16 (4) THE SECRETARY OF HUMAN SERVICES, OR THE SECRETARY'S
17 DESIGNEE;

18 (5) THE DIRECTOR OF THE MARYLAND ENERGY ADMINISTRATION,
19 OR THE DIRECTOR'S DESIGNEE;

20 (6) ONE REPRESENTATIVE OF THE OFFICE OF PEOPLE'S COUNSEL,
21 DESIGNATED BY THE PEOPLE'S COUNSEL; AND

22 (7) AS APPOINTED BY THE CHAIR OF THE TASK FORCE:

23 (I) ONE REPRESENTATIVE OF THE MARYLAND AFFORDABLE
24 HOUSING TRUST;

25 (II) ONE REPRESENTATIVE OF THE GREEN AND HEALTHY
26 HOMES INITIATIVE;

27 (III) ONE REPRESENTATIVE OF MARYLAND ENERGY
28 EFFICIENCY ADVOCATES;

1 **(IV) ONE MEMBER WHO IS AN EXPERT IN PUBLIC HEALTH;**

2 **(V) ONE MEMBER FROM A COMMUNITY CONCERNED WITH**
3 **ENVIRONMENTAL JUSTICE;**

4 **(VI) ONE MEMBER WHO OWNS OR DEVELOPS AFFORDABLE**
5 **HOUSING;**

6 **(VII) ONE MEMBER WHO HAS RECEIVED ASSISTANCE FROM A**
7 **LOW-INCOME PROGRAM THAT DELIVERS ENERGY EFFICIENCY MEASURES; AND**

8 **(VIII) OTHER MEMBERS AS DETERMINED BY THE CHAIR OF THE**
9 **TASK FORCE.**

10 **(D) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT, OR**
11 **THE SECRETARY'S DESIGNEE, SHALL SERVE AS CHAIR OF THE TASK FORCE.**

12 **(E) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**
13 **SHALL PROVIDE STAFF FOR THE TASK FORCE.**

14 **(F) A MEMBER OF THE TASK FORCE:**

15 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE TASK**
16 **FORCE; BUT**

17 **(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
18 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

19 **(G) THE TASK FORCE SHALL:**

20 **(1) BEGINNING JULY 1, 2023, MEET QUARTERLY FOR A PERIOD OF 3**
21 **YEARS;**

22 **(2) ADVANCE THE ALIGNMENT, BRANDING, AND COORDINATION OF**
23 **RESOURCES TO MORE EFFECTIVELY DELIVER GREEN AND HEALTHY HOUSING FOR**
24 **LOW-INCOME HOUSEHOLDS IN THE STATE;**

25 **(3) EXAMINE THE PUBLIC AND PRIVATE RESOURCES NEEDED TO**
26 **ADDRESS THE HOUSING NEEDS OF LOW-INCOME COMMUNITIES;**

1 (4) DEVELOP POLICY AND STATUTORY RECOMMENDATIONS TO
 2 ELIMINATE BARRIERS TO LOW-INCOME HOUSEHOLDS ACHIEVING HEALTHY,
 3 ENERGY-EFFICIENT, AFFORDABLE, AND LOW-EMISSIONS HOUSING; AND

4 (5) ENGAGE WITH INTERESTED PARTIES AND COLLABORATE WITH
 5 OTHER ENTITIES THAT CAN HELP ADVANCE THE GOALS OF THE TASK FORCE,
 6 INCLUDING EXPERTS IN THE FIELD OF HEALTHY, ENERGY-EFFICIENT, AND
 7 LOW-EMISSIONS HOUSING.

8 (H) ON OR BEFORE JULY 1, 2024, AND EACH JULY 1 THROUGH 2027, THE
 9 TASK FORCE SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE
 10 SECRETARY OF HEALTH, THE SECRETARY OF THE ENVIRONMENT, THE
 11 COMMISSION, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE
 12 GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

13 7-510.3.

14 (j) (2) A community choice aggregator, in consultation with all
 15 investor-owned electric companies whose service territories include all or part of the county
 16 and the Department of Housing and Community Development, may promote energy
 17 efficiency programs that are:

18 (i) offered by the investor-owned electric companies; or

19 (ii) filed by the investor-owned electric companies with the
 20 Commission for its approval in accordance with [§ 7-211] **SUBTITLE 2, PART II** of this
 21 title.

22 Article – State Government

23 9-20B-05.

24 (f) The Administration shall use the Fund:

25 (4) to provide rate relief by offsetting electricity rates of residential
 26 customers, including an offset of surcharges imposed on ratepayers under [§ 7-211] **TITLE**
 27 **7, SUBTITLE 2, PART II** of the Public Utilities Article;

28 SECTION 4. AND BE IT FURTHER ENACTED, That:

29 (a) The certification agency designated by the Board of Public Works under §
 30 14-303(b) of the State Finance and Procurement Article and the Governor's Office of Small,
 31 Minority, and Women Business Affairs, in consultation with the Department of Housing
 32 and Community Development, the Office of the Attorney General, and the General
 33 Assembly, shall initiate a study regarding the energy efficiency and conservation services

1 used by the Department of Housing and Community Development to evaluate whether the
 2 enactment of remedial measures to assist minority and women-owned businesses in the
 3 energy efficiency and conservation services industry and market would comply with the
 4 U.S. Supreme Court decision in City of Richmond v. J. A. Croson Co., 488 U.S. 469, and any
 5 subsequent federal or constitutional requirements.

6 (b) The certification agency and the Governor's Office of Small, Minority, and
 7 Women Business Affairs shall submit the findings of the study required under subsection
 8 (a) of this section to the Legislative Policy Committee, in accordance with § 2-1257 of the
 9 State Government Article, on or before December 31, 2025, so that the Maryland General
 10 Assembly may review the findings before the 2026 legislative session.

11 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That the publisher of the
 12 Annotated Code of Maryland, in consultation with and subject to the approval of the
 13 Department of Legislative Services, shall correct, with no further action required by the
 14 General Assembly, cross-references and terminology rendered incorrect by this Act. The
 15 publisher shall adequately describe any correction that is made in an editor's note following
 16 the section affected.

17 SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
 18 July 1, 2023.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.