



March 14, 2023

SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE  
SB 905 – Electric Companies, Gas Companies, and the Department of Housing and Community  
Development - Energy Efficiency and Conservation Plans

**Statement in Support**

Chesapeake Utilities Corporation (“Chesapeake Utilities”) respectfully **SUPPORTS** SB 905. As introduced, SB 905 seeks to alter the EmPOWER Maryland Energy Efficiency Program by (1) explicitly requiring energy efficiency and conservation measures to support greenhouse gas (GHG) emissions reductions; (2) removing prescriptive energy savings targets and instead requiring the Public Service Commission (PSC) to set GHG emissions reduction targets and approve energy efficiency and conservation measures designed to meet those targets; and (3) expanding applicability of EmPOWER to gas companies. The Department of Housing and Community Development (DHCD) is also required to participate in the program, as it does under current law.

The EmPOWER program was created almost 20 years ago for the purpose of encouraging electricity conservation. Only last year, the General Assembly shifted the purpose of the EmPOWER program to increase electricity usage. The General Assembly should tread carefully and cautiously to implement this change in the focus of the EmPOWER program – always with an eye towards keeping customer costs as low as possible. We noted that a competing bill currently before this Committee (SB 689) seeks to change the EmPOWER program in a radical and reckless fashion that would increase current EmPOWER surcharges (currently between \$7 - \$13 per month) to as high as \$40 to \$50 per month.

Chesapeake Utilities operates natural gas local distribution companies that serve approximately 32,000 customers on Maryland’s Eastern Shore in Caroline, Cecil, Dorchester, Somerset, Wicomico and Worcester Counties. These public utilities are regulated by the Maryland Public Service Commission and have provided in the coldest months of the year safe, reliable, resilient and affordable service in the State for decades. As a company, Chesapeake Utilities serves as a positive and informed resource in the ongoing energy and climate change discussions. In fact, the natural gas industry in general (and Chesapeake Utilities in particular) has been a part of the largest reduction in greenhouse gas emissions in this country and will continue to drive the practical solutions needed to move forward. Chesapeake Utilities is committed to being part of the solution as Maryland considers legislation addressing greenhouse gas emissions.

SB 905 recognizes the changing EmPOWER program goals but provides the PSC with meaningful oversight to ensure programs remain cost-effective. On behalf of Chesapeake Utilities



Corporation, and our thousands of employees and their families who contribute every day in the communities where they live and work, we respectfully request a favorable vote on SB 905.

