Maryland’s
Greenhouse Gas Reduction Plan

EmPOWER Maryland and
the Regional Greenhouse Gas Initiative
Today’s Agenda

• Energy Efficiency Policy Drivers
  – RGGI
  – EmPOWER Maryland

• Advancing C&I Efficiency
  – EmPOWER Maryland Challenge
  – Competitive Grants

• C&I Efficiency Solutions for Tomorrow
Key Piece of the Puzzle

Percent annual reduction of carbon dioxide-equivalent by sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Initial Reductions</th>
<th>Enhanced Reductions</th>
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<tbody>
<tr>
<td>Renewable Portfolio Standard</td>
<td>6.86</td>
<td>10.96</td>
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<td>EmPOWER Maryland</td>
<td>8.42</td>
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Strengthening RGGI 2014 Enhancements

<table>
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<tr>
<th>Year</th>
<th>Emissions with new RGGI cap</th>
<th>Anticipated emissions without RGGI</th>
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<tbody>
<tr>
<td>2013</td>
<td>91.4</td>
<td>165.2</td>
</tr>
<tr>
<td>2014</td>
<td>91.1</td>
<td>149.3</td>
</tr>
<tr>
<td>2015</td>
<td>102.8</td>
<td></td>
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<td>2019</td>
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<td>2020</td>
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RGGI Benefits
Sound Policy, Smart Economics

• **Environmental:**
  - Reduces carbon and local air pollution

• **Economic:**
  - Reduces electricity bills
  - Puts money back into hands of businesses and consumers
  - Enables investment in efficiency and clean power
EmPOWER Maryland
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What does this all cost? Our Utility “Bill”

Commodity (Electricity) – 67%
Distribution – 27%
Transmission – 6%
RPS – 0.3%
RGGI – 0.5%
EmPOWER – 1.7%
EmPOWER Maryland

Exceeding peak demand goal

- 10.8% reduction to date
- Equivalent to 1 coal power plant avoided
- Over $220M in PJM revenue by 2014
- 17.7% reduction projected by 2015
EmPOWER Maryland

Not meeting consumption goal

- 9.4% reduction to date
- Over 977,000 participants
- Nearly $290 million in annualized energy savings
- 9.7% reduction projected by 2015
Utility EmPOWER C&I Programs

Benefits To Date

• Investment: $191,944,520
• Participants: 42,115 (17% of accounts)
• Energy Savings: 790,269 MWh
• Lifetime Dollar Savings: $1.06 billion
• Jobs Created: 2167
• CO₂ Avoided: 396,266 MMT
• Climate Resilience: Priceless...
What should we target?

Commercial and Industrial Lags

- EmPOWER Savings by Sector:
  - Other: 12%
  - C&I: 57%
  - Residential: 31%

- Energy Consumption by Sector:
  - Other: 0%
  - C&I: 56%
  - Residential: 43%
What should we target?

C&I Consumption by Utility
What should we target?

C&I Savings To-Date by Utility

[Bar chart showing savings by sector for different utilities, including BGE, PE, DPL, PEPCO, and SMECO.]
EmPOWER Maryland Challenge

Goal: reduce per capita electricity consumption 15% by 2015 from 2007 baseline

- Implement building upgrades that achieve “deep” electricity savings of 20% or more.
- Showcase results to establish leadership standard with peers.
- Create an MEA-C&I partnership to design future policy and program together.
- Recognizes that energy efficiency is good for business.
- Opportunity for recognition.
C&I Grant Program

In Brief

• Competitive grants to implement and showcase upgrades to C&I buildings that reduce electricity usage by 20 percent or more.
• Grants cover up to 50% of project costs after other incentives.
• Up to $4.5 million in funding is available.
• Awards can range from $20,000 to $500,000.
• No limit on project size.
C&I Grant Program
Eligibility

• Must sign on to EmPOWER Maryland Challenge.

• Any commercial or non-profit enterprise.

• Buildings must be located in Maryland.

• Projects must improve whole building or dedicated space.

• Eligible electricity efficiency measures.
C&I Grant Program

Program Timeline

• **November 1, 2013:** The program opened for applications
• **January 15, 2014:** The application period closes
• **March 2014:** Grant decisions are announced
• **May 2014:** Grant agreements are signed
• **May 1, 2015:** All energy efficiency measures are installed
• **May 31, 2015:** Final invoices due to MEA
C&I Grant Program

Questions about C&I Grants?

Nichele Parker, Program Manager
EmPOWERMD.MEA@maryland.gov
Phone: 410.260.7655

http://energy.maryland.gov/Business/empowermdchallenge/
Google “EmPOWER Maryland Challenge”
EmPOWER Challenge Partnership
Charting a Path Forward

• How do we encourage more commercial-industrial building owners to reduce their energy use?

• How do we encourage deeper energy savings building by building?

• What additional policies and/or programs should the utilities or MEA pursue?
Please submit ideas on next-generation C&I efficiency solutions to:

Dan Seligman, C&I Policy Development Manager

dan.seligman@maryland.gov
Phone: 410.260.2602
Let’s keep on talking.

We want to hear from you.

We can make a difference through our actions.
Maryland’s Greenhouse Gas Reduction Plan

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Thank you.