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Good afternoon, Mr. Chairman and members of the committee. Thank you for this opportunity to testify.

My name is Cliff Majersik. I am a Senior Adviser at the Institute for Market Transformation (IMT). IMT is a national nonprofit that catalyzes demand for high-performance buildings. To do this, we work with Montgomery County and jurisdictions across the country to create and deploy building codes and other performance policies that help decarbonize buildings. IMT strongly supports Bill 13-22 and urges the County Council to act promptly to enact it.

IMT works with more than 100 local and state governments who collectively contain roughly half of all large buildings in the U.S. One of our partners is the District of Columbia. With our help, the District Council on July 12 unanimously passed a bill requiring that all new and renovated buildings be all electric. The District bill is very similar to Bill 13-22 except that it has far fewer exemptions. The resulting new building codes in the District will complement Bill 13-22. Building owners, developers, designers and contractors will use the same strategies to comply with building codes in both jurisdictions.

In enacting the climate emergency, the County committed itself to eliminate greenhouse gas emissions by 2035. New furnaces and boilers can last 30 years or longer. There is no way the County would be able to meet its climate commitments without removing gas equipment long before the end of its useful life. Such renovations would make no economic sense. It is much less expensive to install heat pumps in the first place than to install a furnace and then a few years later have to remove that furnace.

Happily, Bill 13-22 is both an important step that the County can take to begin to achieve its climate commitment and low-hanging fruit. In addition to their climate benefits, all electric buildings are less expensive to build and operate, safer, cleaner, and healthier. When constructing a building, it is less expensive to install heat pumps than to install a gas furnace or boiler and the pipes that go with it.

While all electric grids require upgrades and maintenance to meet the evolving needs of the system, the expected demand from all-electric buildings is well within normal ranges that utilities have successfully managed over the last 70 years. Pepco's analysis of its ability to meet the future demand in the District of Columbia under the District's ambitious electrification goals:

> "The study found that future growth in the Pepco DC distribution system will remain well within the rate of system growth that Pepco DC has successfully

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> managed and operated historically, even under the assumption that the District's landmark decarbonization goals are met largely through new electrification initiatives across all sectors. As shown on page 3 of the study, under certain assumptions Pepco's study estimates that peak demand will grow at an average annual rate of 1.4% between 2021 and 2050. Between 1950 and 2020, Pepco managed annual peak demand growth rates on its DC system well in excess of 2%."

Bill 13-22 benefits from best practices and lessons learned from around the country. By integrating its requirements into the County's building codes, it will make it easier for designers and contractors to learn of and comply with the requirements.

Bill 13-22 complements the County's and the state of Maryland's Building Energy Performance Standards. All electric buildings will be well positioned to comply with both standards. In this way, the bill will protect families and businesses from buying new homes only to discover a few years later that that they have to make costly renovations to make their homes climate friendly and comply with County and State standards.

Bill 13-22, will provide a valuable model for the rest of Maryland, further establishing the County's leadership.

We urge the County Council to take prompt action to move this bill forward and are available to assist the County with its implementation.