## Ben Grumbles, Chair

# MARYLAND COMMISSION on **CLIMATE CHANGE**

## **MWG Buildings Sub-Group**

2021 Work Plan Discussion

Draft Updated 2/10/2021

## **Purpose and Overview**

The Maryland Commission on Climate Change (MCCC) is charged with advising the governor and the Maryland General Assembly on ways to mitigate the causes of, prepare for, and adapt to the consequences of climate change and maintaining and strengthening the state's existing Greenhouse Gas Reduction Plan (GHG Plan). One of the Working Groups is the Mitigation Work Group (MWG), which in 2020 created an Ad Hoc Group on buildings for the purpose of evaluating building decarbonization options. The purpose of the MWG is to recommend regulatory, market-based and voluntary programs to reduce greenhouse gas (GHG) emissions. These strategies are to be designed in support of a strong economy and job creation in Maryland.

The <u>2020 Mitigation Working Group Work Plan</u> committed to analyzing targets, timelines, and mechanisms for decreasing emissions from residential and commercial buildings

- Analyze and determine specific targets and timelines for decreasing emissions from residential and commercialbuildings (or, information needed to determine such targets and timelines), including: annual building retrofit targets; specific energy efficiency targets; a timeline for requiring all new buildings be carbon neutral; and a timeline for replacing fossil-fuel heating systems with electric heating or other low-carbon systems.
- Analyze and identify specific mechanisms for decreasing emissions from residential and commercial buildings (or, information needed to determine appropriate mechanisms), including: expanding programs that supportupgraded electric heating and cooling system; new programs to encourage combined heat and power; incentives and other strategies that support the replacement of fossil-fuel heating with electrical systems.

The <u>2021 Mitigation Working Group Work Plan</u> builds off the work from 2020 and commits to the creation of a buildings transition plan by the end of 2021.

• Maryland should produce an Energy Transition Plan by the end of 2021. The State should develop an Energy Transition Plan to coordinate long-term activities and ensure that the overall buildings sector strategy achieves equitable benefits for disadvantaged communities, anticipates and prevents escalating distribution system costs for shrinking pools of natural gas customers, and takes advantage of opportunities for economic growth, including for the agricultural community from renewable fuel development and EmPOWER market optimization. In 2021, the MWG should coordinate the necessary research and planning process. As part of the Energy Transition Plan, MDE should commission a study of the market potential and consumer economics of renewable thermal / beneficial electrification examining incremental first costs, payback periods, appropriate incentive levels and source GHG savings associated with oil, propane, electric and natural gas options. The MWG should consult with PSC on a methodology or series of alternative methods to evaluate source emissions and electric loads associated with building electrification.

#### 2021 Priorities

In 2021, the Ad Hoc Group will bring expertise and broad perspectives to the development of the Building Energy Transition Plan, and will help coordinate the research and analysis performed on building energy systems in Maryland and potential building decarbonization pathways. The Ad Hoc Group will provide information and options to the Mitigation Working Group to inform its deliberations on what policy options to include in the plan.

### **Process and Membership**

The Ad Hoc Group will be open to any interested members of the public as well as members of the MCCC and Mitigation Work Group. The Ad Hoc Group will represent a diverse set of perspectives, including from businesses, nonprofits, academia, state agencies, and local government. The Work Group will meet monthly and all applicable meeting information will be posted on the Mitigation Work Group website. The Ad Hoc Group will provide progress updates and deliverables to the Mitigation Work Group's building-focused meetings on July 20, September 21, and December 14. The Ad Hoc Group's work will be broken into three phases to correspond with those three meetings, described below.

#### **Timeline**

## Phase 1: Scope Building Energy Transition Plan and General Discussion

Goal: Will discuss scoping, process, research, and analysis priorities within the building energy transition plan.

- February 16 Mitigation Work Group Meeting
  - This meeting will provide an overview of the previous year's process and main priorities for 2021. Participants will be able to provide feedback.
- March Buildings Ad Hoc Group Meeting
  - First Meeting of Buildings Work Group This meeting will include a brief discussion on the transition plan as well as an overview of other state policies pertaining to buildings and best practices in the field.
- April Buildings Ad Hoc Group Meeting
  - o Potential Work Group meeting while technical analysis ongoing.
- May/June Buildings Ad Hoc Group Meeting
  - o Discussion and preliminary results from technical analysis.

~~~July 20 MWG Meeting: MWG Mid-year Check-in and Research/Analysis presentation~~~

## Phase 2: Develop Recommendations for the Mitigation Work Group

Goal: Will discuss potential recommendations to the MWG for policies and programs to include in the draft building energy transition plan, informed by the results of the research and analysis in Phase 1.

- July 27 Buildings Ad Hoc Group Meeting
  - o This meeting will begin to discuss potential recommendations
- August Buildings Ad Hoc Group Meeting
  - Discussion of potential recommendations
- September (first or second week) Buildings Ad Hoc Group Meeting

Discussion of potential recommendations

~~~September 21 MWG Meeting: Reviews potential Recommendations / Options~~~

## **Phase 3: Finalize Recommendations for the Mitigation Work Group**

Goal: Will finalize the draft building energy transition plan with policy recommendations after receiving feedback from interested stakeholders and the Mitigation Work Group on Phase 2.

- September 28 Buildings Ad Hoc Group Meeting
  - o Input received from Mitigation Work Group will influence Energy Transition Plan
- October Buildings Ad Hoc Group Meeting
  - o Final Recommendations and Plan Development
- November Buildings Ad Hoc Group Meeting
  - o Final Recommendations and Plan Development
- Early December Buildings Ad Hoc Group Meeting
  - o Final Recommendations and Plan Development

~~~December 14th MWG Meeting: Final Building Energy Transition Plan~~~

# **DISCUSSION DRAFT MWG Meeting Schedule for 2021**

Updated 1/22/2021 (Subject to revision by the working group)

| Meeting                      | Proposed Topic (Lead Agency)                                                                                                                     |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| January 19                   | 2021 Work Plan Finalization (MDE) Final GGRA Plan (MDE) Transportation: Update on TCI and MHD ZEV MOU processes, ZEV progress update (MDOT, MDE) |
| February 16                  | Building Energy Transition Plan: Scoping, process, research & analysis priorities (MDE, Subgroup)                                                |
| March 16                     | Transportation (MDOT, MDE) Timeline and Methodology Updates for 2020 GHG Inventory (MDE, DNR)                                                    |
| April 19                     | MCCC Meeting (TBD)                                                                                                                               |
| April 20                     | Just Transition / Long Term Job Impacts: Towson Study and Other State Policies (MDE)  Natural and Working Lands (MDA, DNR)                       |
| May 18                       | Biomass to Energy (DNR) Electricity & RGGI Program Review (MDE, MEA)                                                                             |
| June 21                      | MCCC Meeting (TBD)                                                                                                                               |
| June 22                      | Methane (MDE)<br>Federal and State Policy Changes: Fed 100-day measures and 2021 MGA Session                                                     |
| July 20                      | Building Energy Transition Plan Mid-year check-in: Research & analysis results from subgroup (MDE, Subgroup)                                     |
| August 17                    | NWL: Agriculture & Forests Carbon Trading; Blue Carbon (MDA, DNR)                                                                                |
| September 13                 | MCCC Meeting (TBD)                                                                                                                               |
| September 21 (two meetings?) | Building Energy Transition Plan Late-year check-in: Potential Recommendations for MWG (MDE, Subgroup)  Draft 2021 Recommendations                |
| October 19                   | Final 2021 Recommendations                                                                                                                       |
| November 15                  | MCCC Meeting (TBD)                                                                                                                               |
| November 16                  | 2022 Work Plan                                                                                                                                   |
| December 14                  | Building Energy Transition Plan: Final Plan (MDE, Subgroup)  2022 Work Plan                                                                      |