



July 31, 2012

Kevin Lucas
Maryland Energy Administration
60 West Street, Suite 300
Annapolis, MD 21401
klucas@energy.state.md.us

**RE: Comments of the Sierra Club to the Maryland Energy Administration
Regarding EmPOWER Maryland Planning for 2020**

Dear Mr. Lucas:

On behalf of the Sierra Club, thank you for the opportunity to submit comments regarding the Maryland Energy Administration's ("MEA's") plans for adapting EmPOWER Maryland beyond 2015. The Sierra Club supports the comments that were filed by Northeast Energy Efficiency Partnerships ("NEEP") on Friday, July 27, but submits these comments to separately address a couple of points.

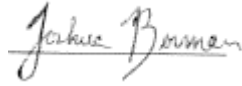
Echoing NEEP, the Sierra Club enthusiastically endorses the continuation of EmPOWER Maryland beyond 2015, and indeed, beyond 2020, and supports the addition of natural gas efficiency programs. As MEA is aware, energy efficiency continues to be the most cost effective energy resource, displacing the need for more highly polluting and carbon-intensive forms of energy generation. And given the enormous bill payer and environmental benefits produced by energy efficiency programs, Sierra Club believes it is beneficial for Maryland to formalize its commitment to the EmPOWER framework and provide certainty to stakeholders that EmPOWER programs will continue to be funded and supported beyond 2015.

The Sierra Club's goal is to make the EmPOWER efficiency targets as robust as possible and to create a process that enables program administrators to achieve these targets as quickly and cost-effectively as possible, with incentives for utilities to go beyond what the program requires and penalties (paid by utility shareholders and not bill payers) for under-compliance. In light of this goal, the Sierra Club encourages MEA not to abandon long-term energy savings targets at this time, but instead to use such targets to motivate appropriately aggressive shorter-term targets that are established and validated using an "all cost effective" energy efficiency standard. As NEEP identifies, Massachusetts has achieved impressive results under its all cost effective standard. But in the absence of a longer-term target, proposed annual targets in the Massachusetts utilities' latest three-year joint plan have plateaued despite a nearly 4:1 benefit-cost ratio for the proposed suite of electric efficiency programs. This suggests that further

Mr. Lucas
Page 2 of 2
July 31, 2012

reductions would also be cost-effective, and having a longer term goal to guide the process could help to encourage that these opportunities be pursued now rather than deferred to future planning cycles.

Respectfully submitted,

A handwritten signature in cursive script that reads "Joshua Berman".

Joshua Berman
Sierra Club
50 F St. NW, 8th Floor
Washington, DC 20001
Tel: (202) 650-6062
Fax: (202) 547-6009
Email: Josh.Berman@sierraclub.org