



ROCKVILLE, MARYLAND 20850

MEMORANDUM

June 9, 2022

TO: Gabe Albornoz, President
Montgomery County Council

FROM: Marc Elrich, County Executive 
Hans Riemer, Chair 
Planning, Housing, and Economic Development Committee

SUBJECT: Introduction of Bill 13-22, Comprehensive Building Decarbonization

We have partnered on legislation to accelerate the decarbonization of the County's building sector. Bill 13-22, Buildings – Comprehensive Building Decarbonization, scheduled for introduction at the County Council on June 14. The legislation requires the County Executive to issue all-electric building standards for new construction, major renovations, and additions by January 1, 2024.

This legislation aims to accelerate an evolution already underway across the country and right here in Montgomery County of the building sector moving towards 100% electric-powered systems. Instead of systems that rely on the combustion of fossil fuels (e.g., natural gas furnaces and boilers), fully electric buildings take advantage of market-available technologies (e.g., heat pumps, electric water heating, electric cooking) that are cleaner, more energy-efficient, and cost-effective.

Consistent with the [latest recommendation](#) of the Maryland Commission on Climate Change to electrify new construction by 2024, the legislation also mirrors ordinances enacted in jurisdictions like New York City, San Jose, San Francisco, and Seattle.

The latest report from the U.N. Intergovernmental Panel on Climate Change (IPCC) delivered a stark warning that urgent mitigation measures are needed now to avert calamity to our climate, our economies, and our very way of life. At the current rate of emissions, the planet will irrevocably exceed the 1.5 degrees Celsius of warming by 2030, which is the maximum level adopted by world leaders in the Paris Climate Agreement. Recent instances of local flooding demonstrate that Montgomery County is far from immune to the damaging effects of climate change.

Fortunately for the planet, the IPCC report charts a path forward to a sustainable future with tried-and-true, currently available technologies. That path requires a coordinated effort at all levels of government and industry to transition away from using fossil fuels—primarily our transportation and building sectors—and dramatically scale up renewable energy production (e.g., wind, solar, geothermal) to clean the electricity grid. At the federal level, the Biden Administration invoked the Defense Production Act in June 2022 to scale up the domestic production of clean energy technologies, including heat pumps, while the Senate is working on manufacturing tax credits to further reduce costs.

Locally, we need to match these initiatives with the deployment of the clean energy technology. The building sector accounts for 50% of the County's emissions. Bill 13-22 complements the County's recent work a) to improve existing building energy performance through [Building Energy Performance Standards \(BEPS\)](#) b) to invest nearly \$20 million annually in the County's Green Bank for energy efficiency upgrades across the County, c) to enhance the [County's green buildings property tax credit](#) for sustainable design, and d) to improve the County's commercial property-assessed clean energy (CPACE) program.

In addition to the climate benefits, there is mounting evidence that decarbonized buildings are a) [cheaper](#) over the life of the building; b) [safer from explosion](#) since they do not rely on a highly flammable fossil fuels for energy, and; c) healthier for indoor air quality since they do not produce carbon monoxide and nitrogen oxide as byproducts, pollutants that have been shown to contribute [asthma in children, respiratory illness, cardiovascular disease, and premature death](#) - a problem [disproportionately affecting communities of color](#).

The legislation acknowledges that there are isolated examples where 100% electric is not yet feasible, or an extended timeline is warranted. Exemptions are provided for utility generation, as well as systems related to emergency backup systems of buildings that require emergency power, life science uses, manufacturing, crematoriums, district combined heat and power facilities, and commercial kitchens. There are also extended compliance timelines for affordable housing and school construction.

It is important to note that this bill does not itself create the all-electric standards but codifies a process for when they must be issued and sets framework around inclusions and exemptions. The legislation requires the all-electric standards to be developed during the next building code adoption cycle and to be issued by January 1, 2024.

All-electric building standards are a crucial step for the County to achieve its zero-greenhouse gas emissions goal through ensuring future construction is electrified.

cc: Adriana Hochberg, Acting Director, Department of Environmental Protection
Mitra Pedoeem, Director, Department of Permitting Services