COLD FACTS NEWS
Heating & Air Conditioning Contractors of Maryland, Inc.

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Annual Meeting

Thank you to everyone who attended our Annual Meeting and Holiday Party held at Ruth's Chris in Timonium in Baltimore. It was a wonderful evening with great food and company. At the Annual Meeting and Holiday Party held on December 8th the Chapter's 2022 Officers and Directors were elected.

2023 Board of Directors









































President's Award to our outgoing president Jackie Van Horne



Larry Ledoyen Annual Presidents Award given to Mike Rackers



Contractor of the Year, awarded to Sean Mallonee

Dear AACP/HACC Members,

We need your input! As you may have heard, **$9 billion** will be rolling out next year as a result of the Inflation Reduction Act to provide rebates for residential energy efficiency and electrification (HOMES and HEEHR) measures including high-efficiency and electric HVAC upgrades and contractor training grants. The U.S. Department of Energy (DOE) is developing guidelines for these programs and then states will develop their individual plans for issuing the rebates.

Now is your chance to weigh in—please take **this 10-minute survey** so that AACP/HACC together with AnnDyl Policy Group can compile contractor input to help you have a voice in this process. Sharing your personal information is optional, and survey responses will only be shared in an anonymized/aggregated format to protect your confidentiality.

Please reply to this message with any questions. The final deadline to respond is **5 p.m. EST Friday, January 6 at 5pm ET**

Sabine Rogers



AnnDyl Policy Group

MD REGULATORY UPDATE
MONTHLY

VOLUME 2 – December 9, 2022

1: *PSC ORDERS ADJUSTMENTS TO EMPOWER PROGRAMS*

2: *FUTURE PROGRAMMING WORK GROUP RECONVENES TO DETERMINE GREENHOUSE GAS REDUCTION GOALS*

3: *ADDENDUM: MONTGOMERY COUNTY PASSES LEGISLATION TO BAN GAS APPLIANCES IN NEW CONSTRUCTION*

PSC ORDERS ADJUSTMENTS TO EMPOWER PROGRAMS

Following discussion during the Semi-Annual Empower Maryland Hearing held on October 25 regarding low participation in Maryland's Midstream HVAC Programs, the PSC issued an order on December 2 with a number of actions to help expand and improve these programs:

PSC Approves Expanded Funding for Utilities' Midstream Programs

As part of the December 2 order, PSC approved The Southern Maryland Electric Cooperative (SMECO) proposal to transition $1.1 million from the Residential Lighting program (19% of the 2021-2023 program cycle budget) to the Appliance Rebate, New Homes, and Residential HVAC Programs.[1] The boosted funding will enable SMECO to raise the maximum rebate amount for heat pump water pump installations from $700 to $1,200. According to SMECO, additional funds for these programs may also be used to recruit new distributors and contractors and strengthen program awareness ahead of the 2024-2026 program cycle.

PSC also approved a proposal from Baltimore Gas and Electric Company (BGE) to expand its Midstream Program to include high-efficiency food service equipment, pumps, fans, refrigeration equipment, and laboratory equipment as eligible measures for rebates. Utilities in each service territory will provide updates on the implementation of these expansions to midstream rebate programs, as approved by PSC on December 2.

Midstream Work Group Ordered to Explore Instant Rebates and Reduced Lag Time

In December 2021, the Midstream Work Group was directed by the PSC to develop recommendations to improve participation and effectiveness of Maryland's Midstream Programs which target distributors to deploy efficient HVAC and electric appliances through rebates. As reported previously, the Work Group has identified payment lag times and the conversion to instant rebates as a key recommendation to improve participation in the midstream programs. On December 2, the PSC directed the Midstream Work Group to continue its research and file a status report by April 17, 2023 including potential challenges to instant rebates from distributors, suggested remediation methods, options for reducing the amount of paperwork associated with current incentives and instant rebates, and the positions stated by small contractors interviewed.

PSC Denies Motion to Remove EER Requirements for HVAC Units from EmPOWER Program

In the December 2 order, PSC also denied a joint recommendation from HACC and AACP to eliminate the Energy Efficiency Ratio (EER) criteria from HVAC units as a requirement for rebates under the suite of EmPOWER Programs. In issuing this decision, the PSC stated that "EmPOWER Maryland should continue to

[1] Full information on each of these rebate programs is available through the utility provider's website here.

use EER because Energy Star, an Environmental Protection Agency (EPA) program, and other industry associations recognize EER, and its brand provides customers with the confidence that they purchased an efficient unit. The Midstream Work Group was directed to monitor Energy Star's use of the EER requirement, and to advise the Commission if, and when, Energy Star discontinues its use."

FUTURE PROGRAMMING WORK GROUP RECONVENES TO DETERMINE GREENHOUSE GAS REDUCTION GOALS

After the PSC approved consensus recommendations from the Future Programming Work Group on transitioning EmPOWER to a greenhouse gas reduction goal, the FPWG has reconvened to determine specific sub-goal goal percentages for the utilities and DHCD under the new GHG abatement structure. The FPWG is anticipated to meet weekly through December to discuss what percentage of the overarching goal should come from behind-the-meter (e.g., HVAC and other building measures) versus front-of-the-meter (e.g., increased efficiency of transmission and distribution lines) GHG reductions. In these discussions, the FPWG will consider the results from a third-party study (described in previous memos)on the potential for greenhouse gas reductions through EmPOWER-related measures.[2] The PSC has directed the FPWG to file a report with recommendations for sub-goal percentages and a DHCD-specific low-income goal by January 13, 2023.

ADDENDUM: MONTGOMERY COUNTY PASSES LEGISLATION TO BAN GAS APPLIANCES FOR NEW CONSTRUCTION

While not within scope of PSC activities, this update from Montgomery County may be of interest to HACC and AACP members:

On November 29, the Montgomery County Council voted unanimously to pass "Bill 13-22, Buildings - Comprehensive Building Decarbonization" which requires the County Executive to issue all-electric building standards for new construction of residential and commercial buildings by December 31, 2026. The legislation exempts hospitals, wastewater treatment plants, crematories, and other facilities needing emergency high-energy backup systems. Income-restricted housing and schools will have until December 31, 2027 to comply with the all-electric standards.

The bill's passage makes Montgomery the first county in Maryland to issue a gas ban for new buildings. Once the all-electric standards are adopted, most new commercial and residential buildings will have to meet their space heating and cooling needs with electric hot water systems and heat pumps instead of gas-fired appliances. The legislation echoes efforts we have seen at the statewide level to decarbonize buildings as well as EmPOWER's upcoming transition to GHG abatement goals.

As always, please reach out if you have any questions.

Sabine and Jake

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Jake Spolan *jake@anndyl.com*
AnnDyl Policy Group

[2] As previously reported, an executive summary of the results from the potential study was filed with the PSC on November 14. The report found that upgrading and replacing space heating equipment accounts for a majority of the potential for greenhouse gas reductions in residential and commercial buildings.

HR QUESTION ?

FEDERATED Employment Practices Network℠

Moonlighting?

Question

We just discovered that one of our full-time employees is working a second job at another company. Are we allowed to prohibit our employees from "moonlighting"? We are afraid this employee's other job will interfere with his ability to adequately perform his position at our company.

Answer

Implementing a broad policy prohibiting all outside employment, or otherwise seeking to limit what employees do outside their scheduled work hours, is generally not a best practice. Most additional employment is lawful conduct that presumably would occur during non-working hours away from the employer's premises. A policy or practice that seeks to prohibit outside employment can lead to resentment among current employees (who may, for financial reasons, need additional income) and create a disincentive for employees to be honest with their employers—in other words, employees may still take but not disclose secondary employment. Furthermore, in addition to the federal National Labor Relations Act (NLRA), which protects union and non-union employee rights, some states provide employees with protections under lawful off-duty conduct laws. Blanket employer policies that prohibit moonlighting may violate the NLRA and/or state law.

Employers who want to prohibit moonlighting by employees should outline specific business-related concerns for doing so. Employers can generally implement conflict of interest policies, which may be enforceable if they seek to prevent an employee from taking a second job that actually and directly conflicts with the employer's essential business-related interests. Of course, a determination as to whether a second job conflicts with the employer's essential business-related interests should be made cautiously and on the basis of reasonable and reliable information. Given the legal complexities, an employer should consult with legal counsel before implementing any moonlighting policy.

That said, an employer can generally require that employees maintain the confidentiality of proprietary information and not use company resources and time for work on matters that are not company-related. Also, an employer should require that any employees who take second jobs satisfactorily perform the duties for the employer when they are at work. In general, an employee who is unable to perform job duties or meet scheduling obligations because he or she has another job can be disciplined or terminated. If an employee is not meeting expectations due to secondary employment, the employer should address this issue from an objective performance management standpoint and in a manner consistent with company policy and practice.

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Questions become answers.℠

its clients access to this information through the Federated Employment Practices Network℠ with the understanding that neither Federated nor its employees provide legal or employment advice. As such, Federated does not warrant the accuracy, adequacy, or completeness of the information herein. This information may be subject to restrictions and regulations in your state. Consult with your independent professional advisors regarding your specific facts and circumstances.

Letter from the Executive

Hello friends-

We are excited to be working on our calendar for 2023. Please let us know if there is a particular speaker or training that you are interested in us setting up.

Thank you all for a great 2022. The Association is looking forward to seeing you in 2023.

Wishing you and your family a wonderful and healthy holiday season.

Stay Safe,
Stephanie Anderson, MBA, IOM

Member Personals

Happy Birthday to…

Happy Birthday to…



Debbie Schmidt, wife of Ron Schmidt of R. M. Schmidt, Inc.

Bill Mazurkevich

Roxanne Reese, wife of Tom Reese of Aireco

Walt Elling of R. E. Robertson Plumbing and Heating

HACC OF MD
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Anderson Association Management Company