



**Maryland General Assembly
House Economic Matters Committee**

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**HB 1206, Clean Energy and Energy Efficiency - Investment in Disadvantaged Communities
SUPPORT WITH AMENDMENTS**

My name is Alexandra Wyatt and I am Policy and Regulatory Manager for GRID Alternatives, the nation's largest nonprofit solar installer. Our affiliate GRID Alternatives Mid-Atlantic (GRID Mid-Atlantic) operates in Maryland, DC, and Virginia, providing no-cost solar installations to underserved customers and solar job training. I am also on the Advisory Council for the Maryland Clean Energy Center, although I am not testifying in that capacity. GRID Mid-Atlantic offers these comments in support of HB 1206, regarding clean energy and energy efficiency investment in disadvantaged communities, with suggestions for some ways the bill could be made even more beneficial for those communities.

GRID Mid-Atlantic envisions a future where clean, renewable energy is accessible to everyone. To achieve that future, GRID Mid-Atlantic works exclusively with low-income and underserved communities to bring them the many benefits of solar and other clean energy technologies. These benefits include access to hands-on job training opportunities in fulfilling renewable energy careers, as well as lower energy burdens, reduced greenhouse gas emissions, and a cleaner, healthier environment. Our on-the-ground experience has shown that low-income families often face significant financial barriers to clean energy, including lack of capital and low- or no credit. As such, GRID Mid-Atlantic often combines several methods to finance solar photovoltaic (PV) system installation at no up-front cost to our low-income residential and multifamily affordable housing clients, including leveraging Solar Renewable Energy Credits (SRECs), philanthropic fundraising, the Federal Investment Tax Credit, and, crucially, state and local policies and incentives. Ensuring that state and local incentives and investments are being targeted toward those households and communities who can benefit the most is very important to us, and to our ability to work in Maryland.

HB 1206 takes important steps in this direction. Equity can only be achieved with deliberate effort, but equity is essential to the success of Maryland's climate ambitions. The bill's designation of disadvantaged communities, in a way that incorporates the input and expertise of those communities, can enable Maryland's climate and clean energy efforts to be more accountable on equity and justice. Meaningful consultation with those communities, as provided for in the bill, is also indispensable; being at the front lines of climate and energy crises means not only that these communities face their harms first and worst, but also that they have unique expertise around the solutions to these crises. We are



also glad to see that the priority that would be given to these communities extends broadly to clean energy, efficiency, housing, transportation, pollution reduction, and especially, workforce development. Maryland cannot achieve its energy goals without a trained workforce. The strong career paths in clean energy can provide some of the greatest gains to the households and communities that HB 1206 seeks to benefit. We believe and hope that the bill does not interfere with or complicate existing low- and moderate-income clean energy programs, such as under the community solar pilot program.

While GRID Mid-Atlantic strongly supports HB 1206, based on our experience in Maryland and on the experience of GRID Alternatives nationwide, we believe there are several ways the bill could be further improved. First, the bill's findings helpfully note the example of New York State, which is pioneering the Climate Leadership and Community Protection Act (CLCPA) in response to increasing and cumulative climate impacts that have had a heightened impact on disadvantaged communities. The CLCPA earned the support of a large coalition of environmental and climate justice advocates by mandating that no less than 35 percent, with a goal of 40 percent, of the funds for energy efficiency and renewables be invested in low-income communities and communities of color. By comparison, HB 1206's non-numeric target of "highest priority" for disadvantaged communities is substantially weaker in ambition, clarity, and accountability. Implementation, at least, should aim for measures that are more concrete.

Second, New York's carve-out benefiting disadvantaged communities has no delay (other than not altering funds already committed as of the effective date); it guides decisions even while the implementation is being built out and refined. HB 1206 requires the development of policies and recommendations for equitable spending prioritization by 2026, with a provision that agencies "should" prioritize disadvantaged communities only with regard to clean energy and efficiency funding beginning in 2022. The reason for more than five years of delay is unclear, especially combined with the relatively vague target, and we would advance the target date.

Finally, HB 1206 generally imports from the CLCPA the criteria by which the Department of the Environment is to identify disadvantaged communities. We agree that these are strong criteria, but we also note that the CLCPA separately defines "disadvantaged communities" as communities that bear various environmental burdens and possess certain socioeconomic criteria, *or* that comprise high-concentrations of low- and moderate- income households. We believe that "or" is important so that fewer or no low-income households are left out. At the same time, the prioritization of funds should also aim to ensure that it is actually the low-income households, or households meeting other socioeconomic criteria, that receive the direct benefits of the funds—not higher-income households or businesses that are located in the same geographic areas. Greater clarity in the bill language could help guide the community designation process toward these principles.

GRID Mid-Atlantic is very pleased to see Maryland's leaders prioritizing equity and environmental justice as the state accelerates the transformation of its energy systems. We thank you for your consideration of HB 1206, and we hope that you will advance it.