SB0256_Resiliency_Hub_MLC_FAV.pdf
Uploaded by: Cecilia Plante
Position: FAV

MARYLAND LEGISLATIVE COALITION

TESTIMONY FOR SB0256

Maryland Energy Administration – Resiliency Hub Grant Program and Fund

Bill Sponsor: Senator Beidle
Committee: Finance
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE

I am submitting this testimony in favor of SB0256 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

We have all heard about the failure of the energy grid in Texas, and we've all experienced outages here in Maryland, even though our grid is better managed and more robust. Even Maryland can use a little resiliency these days.

Microgrids or "resiliency hubs" are localized grids that can disconnect from the traditional grid and operate independently during extended grid outages, such as those due to extreme weather events. In the world of climate change, this is expected to happen more and more often. We need to invest in resiliency technology and this is a particularly good way to do it and, even better, it supports our neighbors in Maryland who most need the help.

This bill will help expand microgrid development in low- and moderate-income neighborhoods; develop opportunities for community ownership of solar; and coordinate emergency preparedness efforts and funding in a way that maximizes federal funds for these efforts.

We support this bill and recommend a **FAVORABLE** report in committee.

SB256_FAV_Groundswell_Wright_1-28-2022.pdf
Uploaded by: David Wright
Position: FAV

Groundswell

Testimony for Senate Bill 256:
Maryland Energy Administration – Resiliency Hub Grant Program and Fund

We greatly appreciate the opportunity to provide testimony in support of this legislation that would support and expand energy resiliency in under-resourced communities.

Groundswell is a 501c3 nonprofit organization whose mission is building community power. Groundswell develops and implements clean energy programs that reduce household energy burdens, delivers comprehensive customer enrollment and support programs, and leads pioneering research and demonstration projects. We connect the value of our work to the values of the communities we serve by partnering with local woman-and minority led businesses and training and hiring from within local communities. Groundswell is currently leading equity-focused solar, resilience, and energy efficiency projects and programs in six states that are serving more than 5,500 low- and moderate-income households with more than $2.75 million per year in energy savings.

Resiliency Hubs serve as a space where vulnerable and displaced neighbors can gather in the event and aftermath of a citywide or heightened localized emergency; access reliable power for their essential devices; receive supplies, food, and drinking water; charge their devices; and store temperature-sensitive medications, among other things. Bringing energy resilience to our most vulnerable communities means that local heating and cooling centers can operate when people's homes may not have power or sufficient air conditioning or heating and that cafeterias can operate in schools where many students qualify for free or reduced meals.

The U.S. Census Bureau has recognized the growing need for understanding resilience across communities, and recently released its 2019 Community Resilience Estimates (CRE)--an easily understood metric for how at-risk every neighborhood in the United States is to the impacts of disasters, with a particular focus on social vulnerability and equity.

Equipping community resiliency hubs with solar power and battery back-up capabilities has numerous benefits such as: increasing access to renewable energy and critical back-up power in climate-vulnerable, low to moderate income (LMI) communities; mitigating risk to vulnerable communities and displaced individuals; reducing utility cost burdens; and providing community training and workforce development opportunities.

Groundswell is actively developing several projects here in Maryland that improve resilience by incorporating energy storage. Groundswell has been closely involved with the development of Baltimore City's Community Resiliency Hub Program for five years. Following our initial work helping install solar and battery storage equipment at two pilot resiliency hub sites situated in low-income Baltimore neighborhoods, Groundswell was a prime grantee for one of MEA's fiscal

year 2020 ("FY20") Resilient Maryland Program grants for site screening, feasibility analysis, planning, and design in support of the Baltimore City Community Resiliency Hub Program. Through this work, we are laying the groundwork for up to 20 additional resiliency hub sites across the City.

Three prospective Resiliency Hubs in Baltimore have received additional incentives for solar and battery procurement and installation under MEA's FY21 Resiliency Hub Grant Program. Collectively, these three sites represent nearly 350 kW of solar capacity, and the battery systems are each sized to provide at least a 50% probability of lasting 3 full days. We anticipate that each site will enjoy electricity cost savings of 15-20% per year for 20 years, enabling each organization to redirect a sizable portion of its utility budget to its community-facing programs.

MEA's grant program fills a critical gap in the financing of these projects. Solar and battery installations on their own do not generate a positive financial return without the MEA incentives, so the program is critical for attracting additional capital to the marketplace and getting these projects off the ground. MEA's sustained commitment over multiple years to funding resilience in multiple grant cycles has been of critical importance and has made Baltimore a national leader in community resilience centers.

There is clearly *societal* and direct *human* value in empowering community-based organizations to continue providing services even when the local electrical grid goes down, but this value of resiliency is largely ignored by current policy and market-based incentives. Thus, despite the clear and widely acknowledged benefits of such energy resiliency, these solar and storage projects are not yet economically viable in Maryland without public funds to encourage and leverage private capital. Furthermore, communities that have been impacted by under-resourcing, disinvestment, and prior redlining need reparative investments, as facilities and entire neighborhoods may require additional support—for expenses such roof repairs, electrical upgrades, and higher interconnection costs—to enable them to host solar and storage installations and serve as resiliency hubs.

In MEA's FY22 Resiliency Hub Grant program we noted a 50% *decrease* in the availability of overall program funds—a trend that runs counter to the increasing interest within policy and philanthropic circles in energy resiliency, not to mention the ever-growing demand for (and potential benefits of) resiliency services within under-resourced communities. Offering such funds in perpetuity, as proposed by this legislation, will encourage additional entities to develop these critical projects and will help attract private capital. Ultimately, the more resiliency hubs that exist, the greater the potential for a true *network* of hubs that can aggregate their solar and battery resources into a virtual power plant (VPP) for grid reliability and demand response services.

We also applaud the bill's commitment to building a strong and diverse workforce, which will help ensure that the potential community benefits of these projects are fully realized. Groundswell is committed to advancing diversity, equity, and workforce development opportunities within the clean energy industry. Our development and installation partners in Baltimore—SunCatch Energy, a Black-owned solar and battery installation company, and AF Mensah, a Black-owned supplier of hardware, controls, and O&M services for battery installations—have conducted a number of workshops and trainings associated with our projects.

In conclusion, we support this bill as it will enhance the resilience and adaptability of neighborhoods across the state of Maryland, particularly in under-resourced areas that are among the least resilient parts of the state and where this kind of community-supporting infrastructure is most critically needed. It would also enable demonstration of state-supported, community-led planning models for other cities, states, and regions that are engaged in resilience planning.

DocuSigned by:
David Wright
CE3888C6D9154CC...

David Wright
Director of Project Development

SB 256 - MEA - Resiliency Hub Grant Program and Fu

Uploaded by: Donna Edwards

Position: FAV

MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

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President
Donna S. Edwards

Secretary-Treasurer
Gerald W. Jackson

SB 256 – Maryland Energy Administration – Resiliency Hub Grant Program and Fund
Senate Finance Committee
February 1, 2022

SUPPORT

Donna S. Edwards
President
Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 256 – Maryland Energy Administration – Resiliency Hub Grant Program and Fund. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 340,000 union members, I offer the following comments.

Natural disasters and extreme weather events can knock out entire communities and prevent them from effectively responding to crises. With no planning or local infrastructure in place, lives will be lost, neighborhoods will be eviscerated, and with the growing threat of climate change-induced extreme weather events, low-income communities – that lack the resources for mitigation planning – will face more frequent threats in the future.

Resiliency hubs offer a local solution for communities for immediate response to a local crisis. These hubs are community-serving facilities that support residents, coordinate communication, distribute resources, and reduce carbon pollution while enhancing quality of life[1]. This bill sets up grant funding to help lower-income communities construct resiliency hubs and serve their residents.

But SB 256 goes a step further by mandating strong labor standards for grant funding eligibility. To receive a grant, the following labor standards must apply to the workers of all the contractors and subcontractors on the project: Career Advancement, the right to Collectively Bargain, Paid Leave, Unemployment Insurance and Workers' Compensation verification, Health Insurance, and a salary of at least 150% of minimum wage. Moreover, it also demands that funding only go to businesses that have been in compliance with Federal and State wage and hour laws for the preceding three years.

[1] http://resilience-hub.org/what-are-hubs/

Our grant funding should reflect our values. When we invest taxpayer dollars into resiliency hubs, we need to demand that the workers who will build and maintain them are being treated with dignity and respect. We are investors in these resiliency hubs, and, as an investor, we should have demands on what our investment should produce. If we do not, then workers – the investors – are paying taxes to create low-quality jobs for other workers.

We support communities building resiliency hubs to serve their residents with mandated labor standards tied directly to the grant funding.

For these reasons we ask for a favorable report on SB 256.

SB0256_OPC_Support.pdf
Uploaded by: Endia Montgomery
Position: FAV

DAVID S. LAPP
PEOPLE'S COUNSEL

WILLIAM F. FIELDS
DEPUTY PEOPLE'S COUNSEL

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BRANDI NIELAND
DIRECTOR, CONSUMER
ASSISTANCE UNIT

BILL NO.:	Senate Bill 256 Maryland Energy Administration – Resiliency Hub Grant Program and Fund
COMMITTEE:	Senate Finance
HEARING DATE:	February 1, 2022
SPONSOR:	Senator Beidle
POSITION:	Support

****

The Office of People's Counsel supports Senate Bill 256, Maryland Energy Administration – Resiliency Hub Grant Program and Fund to create a grant program administrated by the Maryland Energy Administration to fund Resiliency Hubs. The resiliency hubs are solar PV or battery storage microgrid/facilities that provide electricity to low and moderate-income communities during extended power outages in order to provide emergency heating and cooling, refrigeration of temperature-controlled medications, and charging for cell phone and computer batteries. An extended power outage is defined as one lasting more than four hours.

Resiliency hubs would provide important public benefits through local community centers that serve essential energy needs of customers during times of severe weather. The hub would be available to charge cell phones and batteries for important communications needs, enable residents to stay warm or cool in adverse conditions, and safekeep medications during extended power outages.

Under the bill, MEA is to create a competitive grant program for eligible state and local government agencies, businesses, and non-profit groups who can apply for the Resiliency Hubs grants. The grant applications must serve primarily low and moderate-income communities, and applicants must commit to operating the Resiliency Hub for at least ten years. The funds to support the Resiliency Hubs Program come from the fines and penalties collected by the Public Service Commission. Those fines and penalties

currently are paid to the General Fund. Federal grants and appropriations from the State budget can also support the Resiliency Hubs Grant Program. The program receives an initial allocation of $500,000 from the Strategic Energy Investment Fund. MEA is to coordinate the Resiliency Hubs Grant Program with Maryland Department of Emergency Management.

OPC supports the creation of these community-based facilities to provide for essential energy and communication needs for low- and moderate-income communities during extended outages. Outages from severe weather events can lead to long periods before restoration of service and threaten the health and safety of customers. The resiliency hub will help provide for the basic needs of customers during those events.

Recommendation: OPC requests a favorable report on Senate Bill 256.

WDC testimony SB0256-2022_FINAL.pdf
Uploaded by: JoAnne Koravos
Position: FAV

MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827 www.womensdemocraticclub.org

Senate SB0256 Bill
Maryland Energy Administration – Resiliency Hub Grant Program and Fund
Senate Finance Committee – February 1, 2022
SUPPORT

Dear Chair Kelley, Vice Chair Feldman and Members of the Finance Committee:

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2022 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

WDC urges the passage of **SB256** which expands "Resiliency Hub" funding for the Maryland Energy Administration (MEA) Hub Grant Program originally created in 2019 to develop localized grids that can disconnect from the traditional grid to operate autonomously (microgrids). This program is established to construct microgrids and resiliency hubs in high density low– and moderate–income (LMI) neighborhoods in Maryland at no cost to the households. In addition, these hubs develop opportunities for community ownership of solar power and can also serve to reduce the cost of electricity to the hosting site during normal grid operation.

These resiliency hubs address gaps in services or resources in at-risk communities—both during and between disasters such as hurricanes, pandemics, or floods. They have proven to be effective in other cities in the U.S., and Baltimore is one such city that has explored resilience hubs and pulled through bad weather events with great success. Construction is set to begin at another hub in Baltimore, and this bill will provide funding to offset the cost of building even more hubs in other high density LMI communities in Maryland.

Serving as neighborhood facilities that support residents, resiliency hubs coordinate culturally sensitive, multilingual services to better meet the needs of diverse groups of community members. In addition, hubs distribute necessary resources such as food and multilingual information after disaster events such as floods. Year-round, they can offer space and programming for community-building efforts that increase resilience when emergencies occur. Hubs, in fact, enhance a community's quality of life, while at the same time reduce carbon pollution by providing clean and reliable energy during power grid outages.

They are designed to provide a safe place for temporary shelter and relief during days of extreme heat or cold, by supplying emergency heating and cooling capability, refrigeration of temperature sensitive medications and milk from nursing mothers, plug power for charging of cell phone and

computer batteries, as well as lighting. Year-round, they can offer space and programming for community-building efforts that increase resilience when emergencies occur.

Women and children are the greatest beneficiaries of these hubs, as they make up a disproportionate number of low-income residents. In the United States, more women than men live in poverty. Of all single-parent families in the U.S., single mothers make up the majority. Single Mother Guide cites 2020 U.S. Census Bureau statistics that show that of nearly 11 million single parent households, 80% are headed by single mothers and 31% live in poverty.

In short, resiliency hubs improve the stability of an LMI community. Resiliency hubs are intended to strengthen the resilience of local communities by serving as meeting places and information centers for the surrounding residents in addition to emergency shelters or hospitals. Hubs provide an opportunity for communities to become more self-determining, socially connected, and successful before, during, and after electricity disruptions. Most importantly, when a storm or other disaster knocks out power, it becomes a health and safety threat especially for LMI communities which have an even greater exposure to the adverse effects of electric outages, which can quickly lead to catastrophic outcomes.

WDC speaks out for women and children, especially the most vulnerable. For this reason, we **urge a favorable report for SB256.**

Thank you for this opportunity to share our views.

Respectfully,

Leslie Milano
President

SB0256 Climate Access Fund Testimony 02_01_2022.pd
Uploaded by: Lynn Heller
Position: FAV

February 1, 2022

SUPPORT Senate Bill 256: Maryland Energy Administration – Resiliency Hub Grant Program and Fund

Chair Kelley and Members of the Committee:

The Climate Access Fund supports SB256, and we thank Senator Beidle for her leadership on this issue.

My name is Lynn Heller. I'm the founder and CEO of the Climate Access Fund, which is a statewide nonprofit Green Bank that is focused on reducing the electricity bills of low-income households through access to community solar. We do this by: (1) raising low-cost financing to incentivize community solar developers and their investors to serve more low-income households than they otherwise would; and (2) developing community solar projects on already-developed land for the benefit of low- to moderate- income ("LMI") communities.

The Climate Access Fund supports SB256 because we believe climate change is an urgent threat to Marylanders and the state must take action to reduce its impacts. Extreme weather events are becoming more frequent and more severe, they will continue to do so, and we need to prepare for them – particularly in under-resourced communities where residents are less likely to be able to access basic needs and services in a crisis. Resiliency hubs located in LMI communities (most likely on the rooftops of commercial buildings) have the potential to provide access to electricity for essential needs -- refrigeration for medicines and food, heating and cooling -- during power outages. And they do so without having to use greenhouse-gas emitting diesel generators, but rather by storing renewable energy in batteries. SB256 calls for a consistently-funded resiliency hub program.

The Climate Access Fund also supports SB256 because it prioritizes resiliency hubs that are combined with community solar. That means that during the 99% of the time the electric grid is operational and power from the battery is not needed for the resiliency hub, at least 30% of the power generated by the solar array would be consumed (virtually) by LMI households rather than by the building owner.

Maryland's Community Solar Pilot Program allows Maryland households to sign up for power being generated somewhere other than on their own rooftops, and they get a credit – usually at a discount, sometimes as high as 25% – on their electricity bill. This helps alleviate the energy burden (the percent of income spent on energy) of Maryland's LMI households. The energy burden of LMI households is typically at least three times higher than the energy burden of non-LMI households.

By prioritizing resiliency hub projects combined with community solar, the program has the potential to benefit LMI households year-round through discounted electricity, rather than only during power outages. It's a win-win.

The Climate Access Fund urges a favorable report on SB256. Thank you.

Lynn Heller, CEO
Climate Access Fund Corporation
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(410) 371-6276

SB256Testimony20220128_11162335.pdf
Uploaded by: Pamela Beidle
Position: FAV

PAMELA G. BEIDLE
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Anne Arundel County

Finance Committee

Vice Chair
Executive Nominations Committee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 1, 2022

SB 256

MD Energy Administration – Resiliency Hub Grant Program and Fund

Chairman Kelley, Vice Chair Feldman and Members of the Finance.

Senate Bill 256 establishes the Resiliency Hub Grant Program within the Maryland Energy Administration (MEA) to develop resiliency hubs that serve low-and moderate-income households at no cost to the households.

A "resiliency hub" is a location where solar photovoltaic and battery energy storage are designed to provide electricity during an extended grid outage. This can occur at a community center, a church, a school, in a government building or other nonprofit location that are in low to moderate income areas of the state.

The bill requires the Administration to establish certain procedures and criteria for the Program; it also requires that certain reliability fines and penalties be credited to the Resiliency Hub Grant Program Fund. The MEA is tasked to provide $500,000 each year to this program. Funding is also available from FEMA and other Federal infrastructure funds. MEMA and MEA are tasked with writing grants.

The vision of this program is to allow community gathering centers to build energy generation powered by solar equipment and stored in the microgrid. When a power outage last more than 4 hours, the center would open providing people with cooling or heat, a location to charge cell phones and/or medical equipment, refrigeration, ventilation and emergency lighting.

I ask your favorable report on SB256, a new and innovative idea that will help communities and create jobs.

MAP_SB 256_Support_Resiliency Hubs Grant Program.p
Uploaded by: Stacey Jefferson
Position: FAV

MARYLANDERS AGAINST POVERTY

Member Agencies:

211 Maryland

Advocates for Children and Youth

Baltimore Jewish Council

Behavioral Health System Baltimore

CASH Campaign of Maryland

Catholic Charities

Energy Advocates

Episcopal Diocese of Maryland

Family League of Baltimore

Fuel Fund of Maryland

Health Care for the Homeless

Homeless Persons Representation Project

Job Opportunities Task Force

Laurel Advocacy & Referral Services, Inc.

League of Women Voters of Maryland

Loyola University Maryland

Maryland Catholic Conference

Maryland Center on Economic Policy

Maryland Community Action Partnership

Maryland Family Network

Maryland Food Bank

Maryland Hunger Solutions

Paul's Place

Public Justice Center

St. Vincent de Paul of Baltimore

Welfare Advocates

Marylanders Against Poverty

Julia Gross, Co-Chair
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Kali Schumitz, Co-Chair
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TESTIMONY IN SUPPORT OF SB 256

Maryland Energy Administration - Resiliency Hub Grant Program and Fund

Senate Finance Committee
February 1, 2022

Submitted by Julia Gross and Kali Schumitz, Co-Chairs

Marylanders Against Poverty (MAP) strongly supports SB 256, which expands the build out of neighborhood "solar resiliency hubs" in low-income ZIP codes.

A brilliant idea, two pilots have broken ground in Baltimore City on the rooftops of Empowerment Temple and Power House.

In Louisiana, a "resiliency hub" has kept their lights on for days through three storms. Located in low-income ZIP codes, when a power outage occurs, a "solar resiliency hub" becomes a safe location and an autonomous microgrid powered by an onsite solar system combined with battery backup. During non-power events, the solar system lowers the site's electricity bills.

In the event of a power outage, neighbors can visit the hubs and:

- Access heating and cooling;
- Power up technology (and alert loved ones of their wellbeing);
- Refrigerate medications;
- In short, stay safe and stay connected.

This legislation:

- Expands solar resiliency hub funding.
- Targets more low-income ZIP codes for build out.
- Prepares Maryland to access more federal funding.

This type of legislation is smart and proactive in preparing for the increased weather events we can all expect.

MAP appreciates your consideration and urges the committee to issue a favorable report for SB 256.

Marylanders Against Poverty (MAP) *is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.*

Collaborative Support Letter SB 256 Letterhead.pdf
Uploaded by: Susan Miller
Position: FAV

EARTHJUSTICE

January 28, 2022

Chair Delores G. Kelley
Members of the Senate Finance Committee

Re: Solar Democracy and Equity Collaborative support of SB 256:
Maryland Energy Administration – Resiliency Hub Grant Program and Fund

The Solar Democracy and Equity Collaborative ("Collaborative") strongly supports the passage of SB 256. The Collaborative consists of several organizations, including Climate Access Fund, Earthjustice, the Institute for Energy and Environmental Research, the Montgomery County Green Bank, and Maryland Solar United Neighbors.

SB 256 establishes the Resiliency Hub Grant Program in the Maryland Energy Administration to develop resiliency hubs that serve low-and moderate-income households at no cost to the households or to ratepayers. SB 256 defines "resiliency hub" as a location where solar photovoltaic and battery energy storage are designed to provide electricity during extended grid outages. Finally, SB 256 provides that any civil penalties imposed by the Maryland Public Service Commission shall be paid into the Resiliency Hub Grant Program Fund and also directs that the grant program fund shall receive $500,000 each year from the Maryland Strategic Energy Investment Fund.

When utilities or commercial entities add large grid-scale solar or storage, this action helps green the grid, but does not necessarily assist with resilience. However, microgrids, which can operate an island from the utility grid and provide power even when the grid goes down, dramatically improve resilience. A microgrid is a lot more than a simple emergency generator Microgrids – local power grids that can operate independently of the larger grid – are becoming an indispensable tool in building a clean, flexible, secure and cheaper energy system.

Microgrids are one of the few resources we have that can deliver resilience along with several clean energy benefits. Improved economics and technology have made microgrids a viable solution to deliver clean and decentralized backup power. Moreover, deploying microgrids in disadvantaged communities in an important step to energy equity.

Climate change is harming our planet and the people and economies that inhabit it. We're already seeing weather events like floods and hurricanes becoming more frequent and more intense, for example. But while climate change affects us all, it doesn't affect us all equally. Sadly, many Maryland's lowest-income areas are expected to bear the worst consequences of climate change. The effects of climate change disproportionately fall on low-income communities who are least able to prepare for, and recover from, heat waves, hurricanes, flooding, and other impacts.

Energy equity recognizes that disadvantaged communities have been historically marginalized and overburdened by pollution, underinvestment in clean energy infrastructure, and lack of access to energy-efficient housing and transportation. Achieving energy equity requires intentionally designing systems, technology, procedures, and policies that lead to the fair and just distribution of energy system benefits.

Low-income communities already have higher rates of many adverse health conditions, are more exposed to environmental hazards and take longer to bounce back from natural disasters than those in higher income brackets. Climate change is amplifying this already existing divide between those who have resources and those who do not.

In urban areas, low-income individuals live in neighborhoods with the greatest exposure to climate and extreme weather events. This includes living near pollution sites and in housing developments without sufficient insulation or air conditioning. Additionally, disruptions to infrastructure during natural disasters can have an outsized impact on city residents who lack the financial resources to recover from the effects of a natural disaster. Poverty makes it harder for people to evacuate or relocate during or following a major natural disaster.

The Resiliency Hub Grant Program is an important step in improving access to clean energy technologies for low-income customers and disadvantaged communities, increasing clean energy investment in those communities, and improving community resilience to grid outages and extreme events. While the Maryland Energy Administration (MEA) currently administers a successful resiliency hub grant program, that program is funded from the Exelon-Constellation Energy merger settlement agreement. Thus, MEA's program lacks a permanent funding source. The funding mechanisms proposed in the bill not only ensure continuation of the program, they also ensure that ratepayers won't have pay for the program and the government will get more resilient and affordable power with environmental benefits.

Finally, the Collaborative thanks Senator Beidle for her leadership on this important issue.

We strongly urge a favorable report for SB 256.

Thank you in advance for your support. Should you have any questions, please contact me at smiller@earthjustice.org.

Respectfully submitted,

Susan Stevens Miller
Senior Attorney, Clean Energy Program
Earthjustice
On Behalf of the Solar Democracy and Equity Collaborative

SB256_FAV_LivingClasrooms.pdf
Uploaded by: Travis Street
Position: FAV

SB 256- SUPPORT
Travis Street
Living Classrooms Foundation
tstreet@livingclassrooms.org
Phone: 410-835-1463

SB 256 Support
Expanding Clean Energy Microgrids
For Low and Moderate Income Communities

Finance Committee
February 3rd, 2022

Dear Chair Kelley, Vice Chair Feldman, and Members of the Finance Committee:

In 2017-18, Living Classrooms Foundation's POWER House Community Center was equipped with solar panels and battery storage and is the first solar powered public housing community resiliency center in the nation. We installed this system so POWER House would be prepared to assist the 1,400 residents of Perkins Homes in the event of extreme weather, human-created disruptions such as fires, uprisings, or large-scale power outages by providing heat/air conditioning, power, water, food, and communication options, while also continuing to offer diverse education, workforce, and support services for all ages. The system is being used as a resource for the community when the grid fails, creating enough clean energy to provide up to seventy-two (72) hours of sustainable power to the community center.

The system is used all the time. The power goes out in the Perkin Homes community very frequently on the hottest days in the summer. In the winter, although the power doesn't go out as often, the solar system provides clean energy and serves as a heating center for residents as they do their daily errands.

In July 2018, we used the system to its maximum capacity by running it for 72 hours during a power outage. As soon as the power went out, (write the story here as you told me! It was so powerful. About 3 to 4 sentences is good).

Our microgrid system is a vital for the resilience of the community and I look forward to more resilience hubs being built in low-income communities across Maryland.

I request a favorable report on SB 256.

LS22, SB256, CCAN Venable testimony (1).pdf
Uploaded by: Victoria Venable
Position: FAV

SB0256 - Maryland Energy Administration – Resiliency Hub Grant Program and Fund

Date: February 1, 2022
Committee: Senate Finance Committee
Position: Favorable
Victoria Venable, Maryland Director
Chesapeake Climate Action Network Action Fund

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable report from the committee on **SB0256 - Maryland Energy Administration – Resiliency Hub Grant Program and Fund.**

The CCAN Action Fund is the advocacy arm of Chesapeake Climate Action Network, a grassroots organization dedicated to climate action in the Chesapeake region of Maryland, Virginia, and Washington, DC. We believe that the clean energy revolution provides opportunities to not only mitigate climate change but also to build resilience to its impacts. Microgrids and resiliency hubs are crucial tools in climate adaptation and SB0256 will support their use and expansion in Maryland.

Microgrids are localized grids that can disconnect from the traditional grid to operate autonomously. During outage events, whether caused by severe weather, equipment failures, or even cyberattacks, microgrids can serve as a reliable source of power to the community. Maryland has used microgrids and solar plus energy storage systems to create Resiliency Hubs that provide emergency energy to communities during periods of outage. SB0256 will support this work by:

- Expanding funding through the establishment of the Resiliency Hub Grant Program in the Maryland Energy Administration.
- Targeting microgrid development and distributed energy resource ownership to low and moderate-income communities
- Coordinating emergency preparedness funding and federal funding

We believe that SB0256 will greatly improve our community resilience in the face of climate stressors. We thank the sponsor for supporting this work and the committee for its consideration of SB0256. For all the reasons stated above, we urge a favorable vote from the committee.

CONTACT: Victoria Venable, Maryland Director
Victoria@chesapeakeclimate.org (301) 960-8824

SB0256 - LOI - Maryland Energy Administration – Re

Uploaded by: Landon Fahrig

Position: INFO

Maryland Energy Administration

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, Senate Finance Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: SB 256 Maryland Energy Administration - Resiliency Hub Grant Program and Fund
DATE: February 1, 2022

MEA POSITION: Letter of Concern

The Maryland Energy Administration (MEA) currently provides a community hubs program to serve low to moderate income (LMI) Marylanders as a resiliency measure during grid outages. This bill may have a chilling effect on participation in our existing and successful program with little to no additional benefit.

Background

There is an existing MEA Resiliency Hub Grant Program (the Program), that provides funding for the construction of concomitant solar and energy storage systems to serve as resiliency hubs. During periods where electrical power is lost, a resiliency hub provides a no-cost resiliency center for the surrounding LMI residents. To qualify for the Program, a resilience hub must provide emergency heating and cooling, refrigeration of temperature sensitive medications, plug power for charging of cell phone and computer batteries, ventilation, and emergency lighting.

Possible Challenges

Requirement for a grantee to operate a resiliency hub for a period of at least 10 years:

This provision on pg. 7 of the bill alone may create a significant barrier to participation. Many of the grantees for this program are institutions that already serve LMI communities. These generous operations use participation in the Program as an opportunity to expand that service. At times, MEA has had to negotiate the hours a resiliency hub would be available in cases of power outages, as the applicants (community centers, nonprofits, religious institutions, etc.) may already operate on a non-traditional schedule. Forcing these same Program applicants to commit to a 10-year horizon would likely reduce the desire for participation and reduce interest in the Program.

Requirement the resiliency hub serve a community that is comprised of a majority of LMI households:

Also on pg. 7 of the bill, this provision may exclude worthy applicants, and create operational challenges. Often there are pockets of LMI within communities of generally higher income households. Scotland Lane is a single street of 100 LMI rent-subsided homes in an otherwise very affluent community. While the intended target of the Program and resiliency hub are identifiable, this provision may exclude them. Additionally, resiliency hubs are not private clubs; the goal is to open the facility in times of need to support a LMI community, and anyone who needs service and makes it to the resiliency hub should be able to enter.

Operationally, it is quite difficult to get accurate income demographics on an area as small as a 1/4 to 1/2 mile radius (a fair estimate of how far a person may be willing and able to travel to utilize a resiliency hub). Additionally, it may be wise in the future (dependent on funding and market appetite) to use resiliency hubs to support critical infrastructure. This bill would foreclose on this and any other such reasonable expansion.

Labor requirements within the bill are impracticable and burden sympathetic applicants:

9-2010(h)(1) requires on page 9 of the bill required Program grantees to attest that a litany of labor standards have been met by both the contractors and subcontractors. MEA staff feels strongly that this subsection alone may seriously risk the future of the Program; perhaps chilling participation to the point the Program would receive zero applicants.

Firstly, this is a heavy burden to place on Program applicants that are typically altruistic to begin with. Justifying to MEA the placement of these burdens on grantees who may not fully comprehend or even be aware of them would be a tall order.

Also, it may not be impracticable for the Program grantee to find contractors and subcontractors who comply with this subsection. A solar contractor is very unlikely to meet these requirements, and these standards are comparatively far out of step with the industry. With notice, it may be possible for contractors to meet these standards in perhaps 3 to 5 years. As for subcontractors, solar installers for smaller systems are independent laborers or part time employees, and not typically full-time. Please note that resiliency hubs are a *very* small subsector of the solar market, and it is unlikely that contractors and subcontractors would alter their business habits significantly to compete for the very few projects it may provide. Mandating unreasonable and unworkable labor requirements into the Program will likely harm LMI communities.

Creation of an unnecessary new fund, and limitation of program flexibility:

Beginning on page 10, the bill strictly limits Strategic Energy Investment Fund (SEIF) investment in the Program to $500,000/year. As written, MEA believes that the amount is inflexible, and is so in perpetuity. If this is intended to be a ceiling, it would limit the reach of the Program. However, if this is intended to be a floor, the amount is unnecessary but reasonable.

9-2011 within the bill creates a new fund within MEA. This is unnecessary, as MEA already has a special nonlapsing fund that does not revert to general funds. The funds that would otherwise be transferred to the newly created "Resiliency Hub Grant Program Fund" can simply be deposited into the SEIF with a mandated particular use. This is already the case with Regional Greenhouse Gas Initiative proceeds (*See:* State Government 9-20B-05). Creating an additional fund for no apparent benefit or reason would confuse and complicate Program administration.

Summary

MEA asks that the committee consider the foregoing prior to rendering any decision on SB 256.