



MARYLAND LEGISLATIVE LATINO CAUCUS

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TO: Delegate C.T. Wilson, Chair
Delegate Brian M. Crosby, Vice Chair
Economic Matters, Committee Members
FROM: Maryland Legislative Latino Caucus
DATE: 2/1/24
RE: HB0397 - Public Utilities – Thermal Energy Network
Systems – Authorization and Establishment (Working for
Accessible Renewable Maryland Thermal Heat Act)

The MLLC supports HB0397 - Public Utilities – Thermal Energy Network Systems – Authorization and Establishment (Working for Accessible Renewable Maryland Thermal Heat Act), 2024

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB0397.

This bill will bring networked geothermal clean energy systems to underserved communities as 80% of a pilot program’s customers must meet low or moderate-income housing criteria and prioritize overburdened and underserved communities. In addition, the Community Benefits Agreement associated with this bill promotes increased opportunities for local businesses and small, minority, women-owned, and veteran-owned businesses in the clean energy industry. It utilizes highly skilled craft workers who shall not be paid less than the prevailing wage rate and promotes career training opportunities in manufacturing, maintenance, and construction for local residents, veterans, women, minorities and formerly incarcerated individuals as well as provisions for hiring local community members and historically disadvantaged groups. It seeks to ensure that workers can both organize and collectively bargain and requires using locally, sustainably and domestically manufactured construction materials and components to the extent possible.

HB0397 will require gas companies to develop a plan for a pilot thermal energy network system or systems designed to replace gas infrastructure and notify the Public Service Commission that the plan’s development has begun on or before October 1, 2024. Designed to bring networked thermal energy pilot programs primarily to low-income neighborhoods, this bill will use IRA funds to cover the costs of the electric appliances which pilot properties. By requiring each gas company is to develop a plan for a pilot thermal energy network system(s) in coordination with community groups, local governments, the Commission, in consultation with the Maryland Energy Administration and the Office of the People’s Counsel and submit one or two pilot plan proposals to the Public Service Commission for approval and authorization on or before July 1, 2025, HB0397 will assist Maryland in meeting its statutory requirement to reduce greenhouse gas emissions to 60% of 2006 levels by 2031.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB0397.