

House Bill 1367

Public Utilities - Certificates of Public Convenience and Necessity -Energy Storage Devices

MACo Position: **SUPPORT** To: Economic Matters Committees

WITH AMENDMENTS

Date: February 29, 2024 From: Dominic J. Butchko and Michael Sanderson

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1367 **WITH AMENDMENTS**. This bill requires energy storage devices above 1MW to receive Public Service Commission approval before beginning construction. Without explicitly saying so, the bill also appears to eliminate local siting guidance such as setbacks or buffers around these facilities, where local governments hold some limited ability today.

Unlike internal combustion engines and fossil fuels, battery failures of any size can produce fires several scales of magnitude more destructive. While large batteries will be a significant element of future energy infrastructure, Maryland must continue to protect our mutual constituents from worst-case scenario failures. As drafted, HB 1367 requires batteries of 1MW or greater to receive a Certificate of Public Convenience and Necessity, a state-level certification of importance to the overall energy grid. Currently that process insufficiently considers health and safety requirements, like adequate fire suppression systems and neighborhood safety.

While counties understand the goal to advance battery storage to promote a modern energy infrastructure, MACo requests that language be added clearly preserving state and local authority related to fire suppression standards, siting within proximity of residential areas, and other aesthetic and safety requirements. HB 1367 places its current authority into an area of law where local input is very limited, as pre-empted by the State's full occupation of the law.

With these amendments, HB 1367 will be preserving safeguards that keep Marylanders safe. For the reasons mentioned above, MACo urges the Committee to give HB 1367 a **FAVORABLE WITH AMENDMENTS** report.