



House Bill 398

Abundant Affordable Clean Energy – Procurement and Development (AACE Act)

MACo Position:

To: Economic Matters Committee

LETTER OF INFORMATION

Date: February 6, 2025

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) offers a **LETTER OF INFORMATION** on HB 398. This bill sets new goals and targets for increasing Maryland's energy storage capacity.

Maryland is facing a budding energy crisis, largely brought on by Virginia data centers. With exponential increases in regional demand, residents are for the first time in generations facing real concerns of escalating utility costs and potentially even brownouts during extreme demand periods. As Maryland continues to build toward a fully renewable future, utility scale batteries will become an even greater component in our electric infrastructure.

During the 2024 legislative session, this committee passed HB 468, establishing the Commission to Advance Lithium-Ion Battery Safety in Maryland. The committee charged the body with developing legislative, regulatory, programmatic or other recommendations related to ensuring lithium-ion batteries are safely used in Maryland. Counties recognize the need for utility scale batteries both to meet the General Assembly's climate goals and to stabilize the electric grid.

Counties urge that as the committee deliberates on the exact pathway to increase energy storage, legislators consider the hazards of current technologies and require sufficient safety requirements. Lithium-ion battery fires can be several orders of magnitude more destructive than a traditional fire, and add the additional complication of voluminous toxic fumes. Many county career and volunteer fire departments are not yet equipped or trained to handle a worst-case scenario fire for electric vehicles, let alone for a large utility scale fire in a neighborhood.

Additionally, counties urge legislators to consider livability requirements that take into account the diverse environments utility scale batteries may be placed in. Whether in a rural, suburban, or urban landscape, projects should be required to blend in with the larger look, smell, and feel of a community.

Counties have no position on the underlying fundamentals on HB 398, but urge the committee to consider safety and livability factors as they deliberate the future of energy storage in Maryland. For these reasons, MACo offers the Committees this **LETTER OF INFORMATION** on HB 398.