



Hearing before the House Economic Matters Committee
Maryland General Assembly
February 6, 2025

**Statement of Support (FAVORABLE)
of Maryland Catholics for Our Common Home for
HB 398, Abundant Affordable Clean Energy - Procurement and Development (AACE Act)**

Maryland Catholics for Our Common Home (MCCH) is a lay-led organization of Catholics from parishes in the three Catholic dioceses in Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington. It engages in education about, and advocacy based upon, the teachings of the Catholic Church relating to care for creation and respect for all life. MCCH is a grassroots voice for the understanding of Catholic social teaching held by a wide array of Maryland Catholics. In the 2024 Legislative Session, 570 Maryland Catholics from 22 different Catholic parishes and religious communities across the State joined together through MCCH to support several key environmental bills under consideration by the General Assembly. MCCH is independent, though, and should be distinguished as an organization from the Maryland Catholic Conference, which represents the public policy positions of the bishops who lead these three dioceses.

Because we are attuned both to the cry of a distressed Earth and the cry of the poor who suffer first and foremost from a warming planet, **MCCH would like to express our strong support for House Bill 398, Abundant Affordable Clean Energy - Procurement and Development (or the AACE Act).**

As Catholics, we are guided by the teachings of Pope Francis and his predecessors, which have given priority to (1) care for Earth's environment, (2) concern for the economic burdens experienced by the poor, and (3) protection for the workers whose labor is essential to building our energy future. With regard to the environment, in his 2015 encyclical, entitled *Laudato Si': On Care for Our Common Home*,¹ Pope Francis stresses that:

There is an urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gases can be drastically reduced, for example substituting for fossil fuels and developing sources of renewable energy. (no. 26)

Maryland's public policy in recent years has consistently worked to increase the supply of renewable energy, but decisions taken outside Maryland by the PJM interconnection have impeded projects designed to implement the policies supported by Marylanders and by the General Assembly. Further, aspects of Maryland's regulation of electricity, including the use of Alternative Compliance Payments,

¹ The English text of the encyclical, to which the paragraph number in the parentheses refers, can be found at: https://www.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html.

could be improved to return the funds from these pass-through charges back to ratepayers. This would be important as rising utility costs disproportionately impact low- and moderate-income Marylanders. Finally, workers in Maryland who labor on projects to build and maintain our energy infrastructure deserve fair wages and benefits, in keeping with Catholic social teaching that:

All people have the right to economic initiative, to productive work, to just wages and benefits, to decent working conditions as well as to organize and join unions or other associations.²

The AACE Act is responsive to all of these concerns and provides a path forward to addressing resource adequacy in the State. The AACE Act brings on new energy projects that serve Maryland's load requirements within this decade on a least-cost basis. Through AACE, Maryland will create a path to meet its current and future electric load requirements. The bill does this by improving both the planning processes and the incentives under Maryland law for new renewable energy projects. The AACE Act directs the Maryland Public Service Commission to create a competitive procurement process in 2026-2027 for up to 1600 MW of total battery storage projects, thus providing a pathway for projects to be operational in this decade. The AACE Act will also tailor incentives for new renewable energy projects in the state, thus individual projects will receive the properly adjusted incentives they need to come online.

The AACE Act will also ensure that Maryland ratepayers are protected from rising electric utility bills. And it provides important protection for labor to ensure that Maryland's workers receive fair wages and benefits for their work in building a sound energy future.

For these reasons we strongly urge your support for this bill. Thank you for your consideration of our views and our respectful request for a **favorable** report on House Bill 398, the AACE Act.

² United States Conference of Catholic Bishops, "A Catholic Framework for Economic Life" (2015), no. 5, available at <https://www.usccb.org/resources/catholic-framework-economic-life-0>.