February 13, 2025

RWE CLEAN ENERGY, LLC TESTIMONY SB0316: FAVORABLE

Good afternoon, Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee. My name is James McCulla, and I'm a Utility-Scale Development Manager at RWE Clean Energy. RWE is the third largest renewable energy company in the United States, with more than 10 gigawatts of installed onshore wind, solar, and battery storage capacity. We have a 100-megawatt solar project in development in Maryland along with a 500-megawatt, front-of-the-meter battery storage project located at the retired Dickerson coal-fired power plant. Both projects are in the final stages of the interconnection process with anticipated commercial operation dates in the next few years and together represent over $800 million in capital investments in Maryland. RWE will invest the capital to develop these projects because we believe that Maryland is a place that supports growth, both for renewables and for its economy.

I am here to testify on the storage component of Senate Bill 316 and to highlight some real-life examples of storage as a proven, reliable, and very near-term solution to the issues we face today including significant demand increases and storm outages.

I am originally from Virginia and currently live in DC, but I lived in Texas for the last eight years, where I worked as a geologist in oil and gas before making the switch to renewables. I lived through some of the energy emergencies in the state, including 2021's Winter Storm Uri that caused rolling blackouts, an estimated 246 deaths, and billions of dollars in damages. Between then and now, ERCOT, the grid operator for most of Texas, has worked hard to winterize and modernize its grid, including by adding nearly 10 gigawatts of energy storage in the form of lithium-ion batteries to the generation mix. Now, when summer or winter peaks occur, ERCOT can call on storage capacity. Batteries respond nearly instantaneously and provide cheap, clean power when the grid needs it most.

The most recent example of this is Winter Storm Enzo from this past January. While Enzo was not as cold as Uri, it still represented the third-highest winter demand peak ever. Batteries quickly ramped up and discharged over 3,000 megawatts in the morning on January 19th and nearly 4,000 megawatts that evening, and real-time power prices, a reflection of the difference between supply and demand, remained low, getting nowhere close to the grid operator's price cap. Enzo, a storm event that would have represented an energy emergency just a year or two ago, was a non-event, and energy storage is a major reason why.

A state procurement mechanism is critical to deploying our project and others like it that stand ready to help Maryland's reliability challenges.

Best regards,

James McCulla

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