

TESTIMONY OF SEBASTIAN FECULAK POLITICAL DIRECTOR, IRONWORKERS DISTRICT COUNCIL OF THE MID-ATLANTIC STATES

BEFORE THE SENATE EDUCATION, ENERGY, AND ENVIRONMENT COMMITTEE AND HOUSE ECONOMIC MATTERS COMMITTEE

IN SUPPORT OF HB 505 / SB 434 – THE ENERGIZE MARYLAND ACT

Chairs Feldman and Wilson, Vice Chairs, and Members of the Committees,

The Ironworkers District Council of the Mid-Atlantic States represents thousands of skilled ironworkers across Maryland and the surrounding region. Our members are the backbone of the construction industry, responsible for building and maintaining the energy infrastructure that powers homes, businesses, and industry. The ENERGIZE Maryland Act (HB 505 / SB 434) is a necessary step toward a stronger, cleaner, and more reliable energy future—one that ensures Maryland remains a leader in energy innovation while protecting and creating union jobs.

A clean energy transition must be built on a foundation of both reliability and economic opportunity. This bill accomplishes both by expanding Maryland's clean energy portfolio in a way that prioritizes energy stability while maximizing investments in local infrastructure projects and the skilled workforce that builds them.

Strengthening Maryland's Energy Infrastructure Through Nuclear Expansion

One of the most significant steps in this bill is the recognition of nuclear energy as a clean energy source within the Clean Energy Portfolio Standard. Maryland already benefits from carbon-free, high-output nuclear power, and this designation ensures that we maintain a reliable baseload energy source while modernizing the grid. The bill also establishes a competitive procurement process for advanced nuclear reactors, similar to the existing Offshore Wind Renewable Energy Credit (OREC) program, which will encourage investment in next-generation nuclear technology, driving new construction projects that will require ironworkers to fabricate and erect these facilities.

Reforming Offshore Wind Procurement to Protect Ratepayers and Expand Job Opportunities

Maryland has already seen strong investments in offshore wind, but existing statutory rate caps have created inefficiencies. Currently, offshore wind developers bidding into the OREC process know the maximum price they can charge, limiting the state's ability to secure cost-effective



projects. This bill removes those statutory caps and allows the Public Service Commission (PSC) to set pricing parameters during solicitations—a move that will ensure more competitive bidding, lower costs for ratepayers, and better value for Maryland's energy investments. Additionally, the bill relaxes the Delmarva Peninsula interconnection requirement, giving developers more flexibility in how they bring offshore wind energy onto the grid while maintaining commitments to Maryland's workforce and local investment. A modest payment requirement for future project cancellations will also protect the state from costly failures, ensuring that Maryland does not end up covering expenses when developers fail to follow through on their commitments—an issue that has already played out in New Jersey with Ørsted's recent project cancellations.

Improving Solar Energy Competitiveness to Spur Growth and Job Creation

Maryland has struggled to maintain a competitive solar industry due to the low value of its Solar Renewable Energy Credits (SRECs). Neighboring states have higher alternative compliance payments (ACPs), creating more incentives for solar project development. Without intervention, Maryland risks falling behind in solar deployment and losing the associated construction jobs to other states.

This bill freezes the declining ACP cap at its 2024 level of \$60, providing more price stability for new solar projects and making Maryland a more attractive market for solar development. This will help expand the pipeline of solar projects and create more work opportunities for ironworkers who install solar racking systems and other supporting infrastructure.

Ensuring Accountability and Progress Toward Clean Energy Goals

By 2032, the Maryland Energy Administration (MEA), in consultation with the PSC, will report on the impact of this legislation—including an analysis of the effectiveness of multipliers set in the Brighter Tomorrow Act (2024), the impact of freezing the ACP, and overall progress toward Maryland's 100% clean electricity target. This accountability measure ensures that the policies implemented today remain effective in the years ahead and that Maryland's clean energy transition is guided by real-world data and workforce considerations.

A Clean Energy Future That Puts Maryland's Workers First

For ironworkers, energy infrastructure is more than just policy—it is what we build. The ENERGIZE Maryland Act aligns with the reality that a clean energy future must also be a strong union jobs future. The expansion of nuclear, offshore wind, and solar energy creates thousands of opportunities for skilled ironworkers to fabricate, assemble, and erect the structures that will power Maryland for generations to come.



Maryland's energy policy must balance sustainability, reliability, and economic opportunity. HB 505 / SB 434 achieves that balance by supporting investments in clean energy while ensuring that these projects translate into stable, well-paying union jobs.

For these reasons, the Ironworkers District Council of the Mid-Atlantic States urges a favorable report on HB 505 / SB 434.

Sincerely,

Sebastian Feculak

Political Coordinator Mid-Atlantic States District Council