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Maryland Clean Energy Center (MCEC) was created as a not-for-profit corporate instrumentality of state in 2008 through an act of the Maryland General Assembly.

MCEC has an economic development mission to advance the adoption of clean energy, and energy efficiency products, services and technologies. MCEC leverages private capital and private sector capabilities to engage in efforts to help create and retain jobs; drive economic and business development in local communities; assist in the commercialization of innovative technologies; reduce energy costs for consumers, and drive reductions in greenhouse gas emissions associated with the use of fossil fuels.

Bill Number: SB739

Title: Economic Development – Advanced Clean Energy and Clean Energy Innovation Investments and Initiatives

Hearing Dates: March 3, 2020

Committee: Senate Finance

Recommendation: FAVORABLE REPORT

As an instrumentality of the state, the Maryland Clean Energy Center (MCEC) has the capability and flexibility to do what the public sector cannot and the private sector will not. This makes MCEC critical in the transition of the clean energy industry, from the early days of pump-priming, through public subsidies to its rapidly emerging, market-driven future. With a small staff and modest budget, MCEC has an outsized impact.

MCEC leverages a small public investment to increase the amount of private investment deployed to grow the advanced energy economy in the state. MCEC has demonstrated its value toward achieving this directive and continues to be impactful even with ongoing uncertainty about funding for its operation.

Since inception, MCEC has:

- Leveraged more than \$75M in private capital for energy project financing
- Generated more than 500 clean energy jobs
- Launched an innovative technology accelerator to move clean energy technology developed in Maryland university labs to the marketplace
- Facilitated financing for over \$38 million in energy efficiency improvement upgrades at state institutions; including: The University of Maryland College Park, UMBC, Coppin State, and the Institute for Bioscience and Biotechnology Research at Shady Grove
- Provided access to over \$30M in low-cost loans to over 4,000 homeowners to improve the energy efficiency of their home with new HVAC systems and weatherization measures

- Enabled access over \$6.5 M to convenient and affordable loans using Property Assessed Clean Energy (PACE) financing for commercial property owners in 15 jurisdictions in the state with the MDPACE program
- Connected numerous innovative clean energy businesses across the country with project development opportunities and partners in Maryland

MCEC is providing a worthwhile return on investment. To date MCEC has leveraged private investment at a ratio of almost 19 to 1, for every public dollar spent, to succeed at its statute directed mission.

For this success to continue, MCEC must have a stable, definitive commitment of revenue to help support its operation and signal to project partners and capital providers that they can predictably count on MCEC for investment transactions. This legislation calls for such an investment which will allow MCEC to continue to be impactful.

Senate Bill 739 will:

- Broaden the definition of clean energy to include advanced energy and grid modernization technologies
- Clarify the capability of MCEC to finance energy measures on state facilities, and
- Provide \$2.1 M to fund energy technology research and development activities, on an ongoing basis, through the Maryland Energy Innovation Institute and the work of the Maryland Clean Energy Center

On behalf of the Board of Directors of MCEC, I **respectfully request that the committee members give a FAVORABLE REPORT to SB 739**, and continue to fund the worthy enterprise MCEC has proven to be for our state.



Geoff Oxnam
Founder & CEO; American Microgrid Solutions
Chairman of the Board; Maryland Clean Energy Center