



An Exelon Company



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**FAVORABLE with Amendments – Senate Bill 54
Local Government – Clean Energy Loan Programs – Grid Resilience**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) support with amendment Senate Bill 54: Local Government – Clean Energy Loan Programs – Grid Resilience Projects. This legislation expands the category of projects for which counties or municipalities are authorized to provide clean energy loans. Current law provides county or municipality clean energy loan programs may be established for residential and commercial property owners to finance energy efficiency and renewable energy projects. SB 54 expands the category of projects for clean energy loan programs to include “grid resilience projects” when installed with energy efficiency or renewable energy projects.

Pepco and Delmarva Power support expanding clean energy programs which can enable more development of clean energy projects and will also serve to help Maryland meet its greenhouse gas reduction goals. However, Pepco and Delmarva Power believe that any resiliency project that is connected to the distribution grid, as SB 54 contemplates, must not impact safety or reliability of the distribution system and must follow the same requirements that are in place for any other project that connects to our distribution grid.

As such, Pepco and Delmarva propose an amendment that defines a “grid resilience project” and clarifies the requirements that need to be met if that project connects to the distribution grid. An amendment that addresses our concerns around defining “grid resilience project” requirements is provided with this testimony. With the attached amendment, Pepco and Delmarva Power supports Senate Bill 54 and respectfully requests a favorable committee report.

(amendment attached)

(E) “GRID RESILIENCE PROJECT” MEANS AN ENERGY CAPITAL IMPROVEMENT INVESTMENT THAT:

(1) INCLUDES ONE OR MORE OF THE FOLLOWING COMPONENTS:

(I) DISTRIBUTED RENEWABLE ENERGY GENERATION;

(II) ENERGY STORAGE;

(III) DEMAND MANAGEMENT; OR

(IV) OTHER FUNCTIONS THAT IMPROVE RELIABILITY OR PROVIDE SERVICE DURING AN ELECTRICAL SERVICE DISRUPTION; AND

(2) IS INSTALLED CONSISTENT WITH APPLICABLE MARYLAND PUBLIC SERVICE COMMISSION AND ELECTRIC COMPANY REQUIREMENTS, INCLUDING BUT NOT LIMITED TO INTERCONNECTION AND FRANCHISE REQUIREMENTS.

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