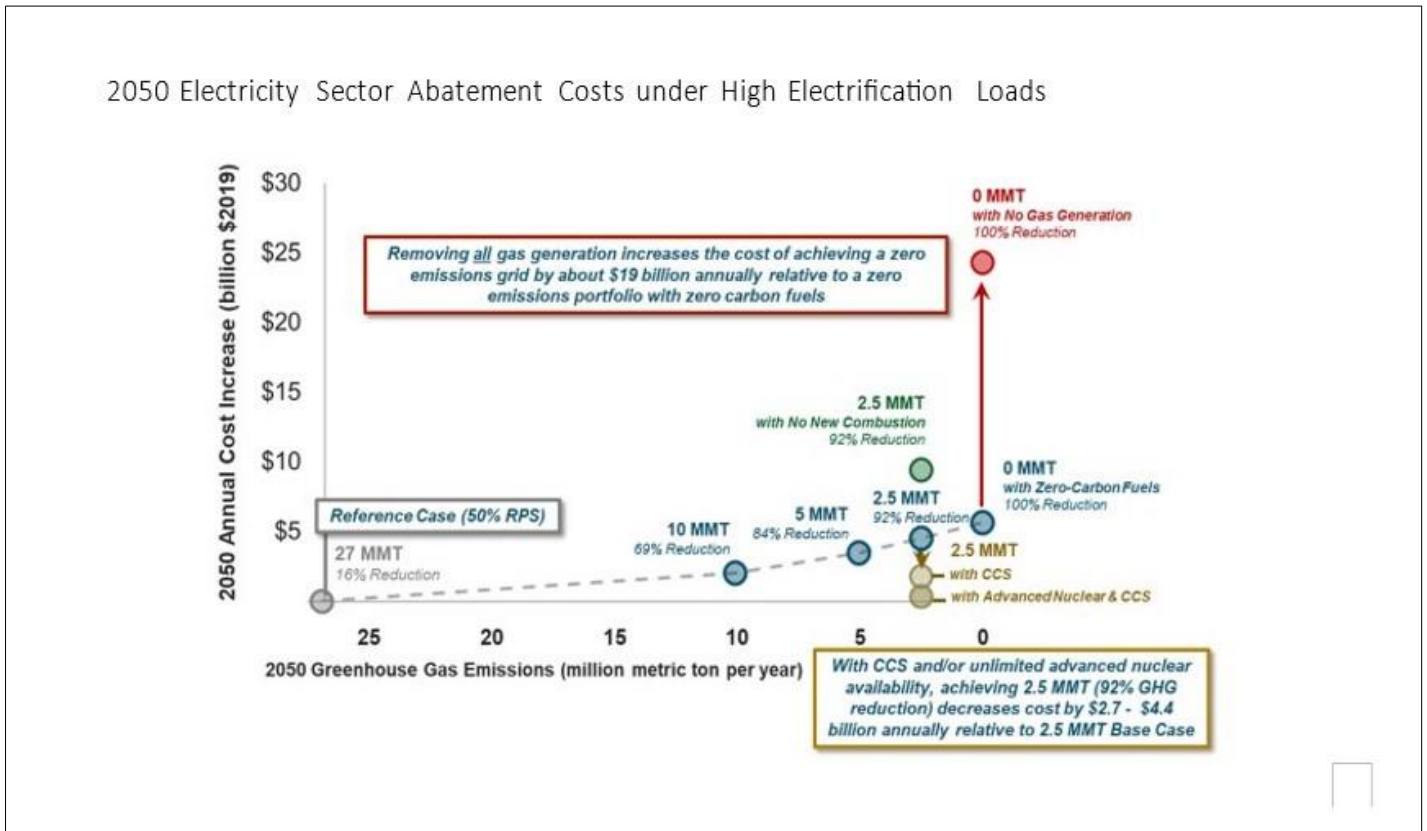


**To:** The Hon. C.T. Wilson, Chair, House Economic Matters Committee  
**From:** Tom Ballentine, VP for Policy NAIOP Maryland  
**Date:** March 8, 2022  
**Re:** Support - HB 1366 - Zero-Emissions Energy Resources and Carbon Capture Study

The NAIOP Maryland Chapters represent 700 companies involved in development and ownership of commercial, mixed-use, and light industrial real estate. On behalf of our member companies, I am writing to support HB 1366, particularly the study of carbon capture technology that begins on page 2, line 27. The rationale for NAIOP’s support includes:

- + All of the standard model runs in the UN Intergovernmental Panel on Climate Change [IPCC] data base that hold temperature increases below 1.5 or 2 degrees celsius rely on some amount of negative emissions technologies including carbon capture and storage. [CCS]
- + Natural sequestration is featured, but negative emissions technologies do not play a role in Maryland’s climate mitigation strategies making the sector-by-sector burden in Maryland harder than the IPCC model pathways suggest.
- + A recent study authored by Maryland’s climate consultant E3 and the Energy Futures Initiative found that annual incremental costs to achieve a 92% reduction in emissions on New England’s electric grid would be “cut by more than half when CCS technology is assumed to be developed at scale.” And “removing all gas generation increases the cost of achieving a zero emissions grid by about \$19b annually relative to a zero emissions portfolio with zero carbon fuels.”<sup>1</sup>



- + The study of carbon capture created in HB 1266 would provide a regulatory and policy foundation necessary for advancement of the technology. We see this as an incremental and necessary step to evaluating its future feasibility.

**For these reasons, NAIOP respectfully recommends you favorable report on HB 1366.**

<sup>1</sup> Energy and Environmental Economics, Energy Futures Initiative, “Net Zero New England: Ensuring Electric Reliability in a Low-Carbon Future”, 2020, 57