

## LEGISLATIVE TESTIMONY

To: Chairman Pinsky and members of the Senate Education, Health & Environmental Affairs Committee  
Chairman Guzzone and members of the Senate Budget & Taxation Committee

From: Aaron Tomarchio, EVP, Corporate Affairs

Re: **OPPOSE – SB528 – Climate Solutions Now Act of 2022**

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TradePoint Atlantic (TPA), the owner, manager, and developer of Sparrows Point, the former home of Bethlehem Steel in Southeast Baltimore County has significant concerns with SB528.

TPA has taken on the challenge to clean up and remediate the environmental impacts of a century of steel making and prepare the site for re-development. It is our hope to remake Sparrows Point into a global center of excellence as a leading tri-modal transportation, distribution, manufacturing and logistics hub. The potential of this location represents a unique opportunity, and a proposition to the State of Maryland. Passage of this bill could undermine Sparrows Point's and the state's ability to compete to attract new and or encourage expansion of business within the state.

- Decouples Maryland from the International Building Code Standard and hurts Maryland's competitiveness.
- Grid Reliability – Single sourcing Maryland's energy exposes the state and its businesses to higher risks of grid failure and to energy security vulnerabilities that could make Maryland an easy target for potential bad actors seeking to threaten national and or state energy supply.
- Harms manufacturing site selection and expansion - There should be language explicitly exempting manufacturing facilities and operations. While there is a manufacturing carve out in state's Green House Gas Reduction Act, this bill should re-commit to that exemption to prevent confusion in the marketplace.
- No clear mitigating offsets identified to help existing buildings come into compliance. Creates potential for market confusion while state agencies debate and develop policy.
- The bill's timeline creates an artificial energy cliff for Maryland's businesses, pushing Maryland far ahead of carbon reduction timelines adopted by the international community.
- Bill should recognize the use of blended fuel approaches as a mitigating measure to help ween existing buildings off fossil fuels.
- Places a large burden on utility providers to bring new capacity online within a very limited time frame. Considerations should be given to fast-track state utility permitting and regulatory processes that create burdensome and unpredictable long lead times to develop new projects to expand capacity.
- No representation of development and other businesses entities, or utility providers on any of the established workgroups.

This bill negatively impacts Maryland's business competitiveness, sends mixed messages to potential manufacturers and site selectors, creates a period of uncertainty in the marketplace, exposes Maryland to energy security risks, and places extensive unattainable burdens on utility providers to single source and grow energy capacity within short period of time. We respectfully urge the committee to render an **unfavorable** report.

### **About TradePoint Atlantic**

The 3,200-acre industrial site and former home of Bethlehem Steel in Baltimore, Maryland, offers a gateway to markets around the United States and the world, featuring a unique and unmatched combination of access to deep-water berths, rail, and highways. Groundbreaking agreements signed with federal and state environmental regulators in 2014 to remediate the legacy from a century of steelmaking enable the redevelopment of the site with the potential to become one of North America's most strategic multi-modal, multi-commodity global logistics hub.

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