

SB528
Letter of Information

TO: The Honorable Paul Pinsky, Chair
Senate Education, Health, and Environmental Affairs Committee

FROM: Annie Coble
Assistant Director, State Affairs, Johns Hopkins University and Medicine

DATE: February 15, 2022

Johns Hopkins would like to provide information relating to SB528 Climate Solutions Now Act of 2022. Johns Hopkins is very supportive of the State's efforts to reduce greenhouse gas emissions as a method for fighting climate change and is working diligently over the next several years to update its own institutional goals.

Johns Hopkins owns and operates many buildings (over 20 million square feet in total) throughout the State that would be required to comply with the new building emissions standards established in this bill. While Johns Hopkins supports the bill's intent and a majority of its strategies, we believe there are opportunities to meet the outlined objectives while providing responsible compliance pathways for different categories of building owners and operators. Specifically, the current legislation does not take into account the complexities of building owners who operate healthcare and research facilities that require significant reliability and redundancy safeguards, as well as those who heat and/or power their buildings through district energy systems.

On our campuses in Baltimore, Johns Hopkins has invested significantly in developing district energy systems that ensure critical reliability and redundancy for healthcare facilities, laboratories, offices and classrooms. While there is a variance for buildings whose electrification costs would exceed the social cost of carbon, the bill does not offer any additional variance pathways for building owners to fully study and propose solutions for the decarbonization of its large district energy systems. Significantly, this bill also does not account for complexities of hospitals and institutions that must be able to operate 24/7 with unique and sensitive patient care considerations. Even if a new hospital or medical clinic was fully electrified, it would be required to have access to a fossil fuel generator to meet federal standards for reliability and redundancy of power systems to ensure patient care is not impacted in the event of a power outage. As written, the bill does not provide for this important contingent need.

Moreover, for institutions with central plants and district energy systems, it is unclear how individual buildings will be required to report their greenhouse gas emissions as direct or indirect. Currently, using common approaches in EnergyStar Portfolio Manager, campuses can report a large number of buildings as a single entity encapsulating a central plant as direct

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emissions or as a set of individual buildings whereby emissions from a central plant are considered indirect and would not be counted under the current legislation. Additionally, by excluding greenhouse gas emissions from electricity, the bill does not credit institutions for onsite or offsite renewable energy. It would be helpful if the bill looked at all Scope 1 and 2 emissions sources, or found a way incentivize renewable electricity and energy efficiency as well as decarbonizing heating.

Considering the issues stated above and the sensitive nature of many of the facilities that Johns Hopkins operates, we also seek assurances that utility providers, BGE and Pepco, are prepared to provide a level of service and capacity required by the rapid shift to 100% electrification.

Johns Hopkins is deeply committed to the important goal of reducing greenhouse gas emissions and fighting climate change and requests considerations of the issues raised herein to ensure this legislation works for building owners of all types, especially those with complex healthcare and research facilities and those connected through district energy systems. Due to the extenuating circumstances regarding the complexities of Johns Hopkins' buildings, it would be appropriate to allow more time for health care institutions and institutions with large scale district energy systems to work with the State to develop standards that meet all the needs of building owners under this legislation.