



SB215 – Income Tax – Energy Storage Tax Credit – Alterations and Extension

Testimony before

House Ways & Means Committee

March 23, 2022

Position: Favorable

Madame Chair, Mr. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in support of SB215, to increase the aggregate limit of tax credits for battery energy storage in the state, and to add a refundability mechanism. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members).

This bill will require state of Maryland to increase the total of tax credits available under the current statute to \$1,000,000. It also creates a new refundable mechanism where residential customers can take a refund for the excess amount above their tax exposure. Battery energy storage is a critical part of creating the new smart energy grid. Energy storage helps to store renewable power when it is created while the sun is shining or the wind is blowing, then discharges that power to the grid when the demand is highest. In essence it turns intermittent renewable energy into baseline power, making clean energy a more functional and desirable source of power. Battery energy storage is growing exponentially around the globe, and grid operators and utilities are making plans for GW's of new storage to be integrated in the coming decade.

If there is a discussion of any possible changes to this legislation, we would encourage the committee to consider expanding this aggregate amount substantially, to meet the demand that is certain to come in the coming years.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

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