



**TO:** Members, Senate Education, Energy, and the Environment Committee  
**FROM:** Paul Pinsky - Director, MEA  
**SUBJECT:** SB 697 - Energy Storage – Targets and Maryland Energy Storage Program – Establishment  
**DATE:** February 28, 2023

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### **MEA Position: Letter of Information**

Senate Bill 697 establishes the Maryland Energy Storage Program within the Public Service Commission (PSC), and sets goals for battery storage deployments in the State. While the Maryland Energy Administration (MEA) appreciates the intent of the sponsor and recognizes the benefits of energy storage, our review of the legislation produced the following information.

The minimum requirements for battery electric storage in the State may be better suited as aspirational goals. Three (3) gigawatt-hours of battery storage within the state in a period of ten years, may be difficult or expensive to achieve. It is equivalent to more than 220,000 Tesla Powerwalls, which could come at an expense exceeding \$2.75 billion.

There are existing, upward pressures on utility bills: commodity prices, transmission and distribution upgrades needed to support growth and electrification, and geopolitical conflict, amongst others. Additionally, there are several other bills before the General Assembly that could also add to ratepayer costs.

Alternative approaches that could be considered would be greater discretion for the PSC to craft the parameters of such a program, and requirements to make utility-scale battery deployments shared purpose; providing a utility the ability to flow electricity for ratepayer consumption when needed, and providing ancillary grid services (frequency modulation, etc.) when not being utilized by the utility. This dual use model could limit ratepayer impacts by providing a reliable revenue stream to offset upfront costs.

MEA urges the committee to consider the forgoing prior to rendering its report.