



Maryland Energy Administration

TO: Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget and Taxation Committee
FROM: MEA
SUBJECT: SB 788 - Battery Storage and Solar Arrays Safety Training Grant Program and Fund
DATE: February 21, 2024

MEA Position: UNFAVORABLE

This bill would establish a Battery Storage and Solar Arrays Safety Training Grant Program within the Maryland Energy Administration (MEA), and require an annual appropriation of \$1 million from the Strategic Energy Investment Fund (SEIF). This appropriation repeats in perpetuity.

The bill requires a significant annual transfer of SEIF funding to the Maryland Fire and Rescue Institute. To the extent SEIF funding is utilized for other programs, existing MEA programs focusing on clean energy deployment and greenhouse gas (GHG) reductions would be reduced or eliminated.

Additionally, MEA is not the appropriate source for these grants nor the agency to oversee a program that is truly a public safety program. MEA's expertise is in the renewable energy, energy efficiency, and GHG reduction spaces. New resources, human and otherwise, would be required to properly implement and oversee any new program, especially one of this magnitude and of novel subject matter.

MEA is fully committed to the intentional, targeted, and safe deployment of solar arrays and battery energy storage systems. Safety, not just fire suppression, should be included in the consideration and siting of utility-scale battery storage facilities. Berkeley Lab published a Best Practices and Considerations for Siting Battery Storage Systems. Within that document, recommended questions to be addressed when siting battery storage include but are not limited to:

- Does the battery storage system have access to the building's HVAC, fire suppression, and communication systems?
- If located outdoors, will the battery storage system be protected from unintended impacts?
- Does the site facility staff have adequate training on the procedures necessary to perform in the event that the battery storage system requires an emergency shutdown?
- Will the battery storage system be protected from natural disasters and severe weather events (e.g. hurricanes, floods, hail)?
- Will operations and maintenance (O&M) providers and first responders have "access to" and "egress from" the battery storage system?

Each of these considerations would apply to fire-related safety concerns.

However, attention to safety is woven into the structure of the current pilot program. Under the current Energy Storage Pilot Program regime found in PUA § 7-216, investor-owned utilities must "submit to the Commission, the Maryland Energy Administration, and the Office of People's Counsel information or data concerning... project safety, including battery type and chemistry". Additionally, under the pilot program, "an investor-owned electric company shall make all data provided... that is not proprietary or confidential available to the public."

Under Commission Order No. 89664, November 6, 2020, authorizing the Exelon-owned utility pilot projects Decommissioning, Safety, and Fire Prevention, the commission noted, in part:

PPRP was concerned about fire safety and recommended that the Commission require utilities to share plans to address fires and explosions for Commission review and approval prior to installation. In addition, based on the toxicity of lithium ion batteries, PPRP recommended that utilities file a decommissioning plan for Commission review and approval. PPRP recommended following the framework used in New York State, which requires each plan to contain a narrative description of the decommissioning process, plans for funding the decommissioning process, and contingency plans for removal of damaged batteries.

Because of these concerns, the Commission required that participating utilities create and file plans for preventing and addressing fires and explosions, for safe removal of damaged batteries, and for decommissioning and disposal of batteries. The plans must contain a narrative description, an estimate of costs, and identify the source of funding. These plans were subject to Commission approval. Demonstrating the need for independent review of each project, the Commission found that the Delmarva Power & Light project required additional care and evaluation of risks because it involved the installation of energy storage systems in private residences. Accordingly, Delmarva was directed to address any safety concerns specifically associated with installing storage resources in the homes of residential ratepayers, and its plans for informing potential participants of those risks.

For the foregoing reasons, MEA urges the committee to issue a **Unfavorable Report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).