



March 5, 2024

C.T. Wilson, Chair
Maryland House Economic Matters Committee
Room 231, House Office Building
6 Bladen St.
Annapolis, MD 21401

American Clean Power: HB 1112, FAVORABLE

Dear Chairman Wilson and members of the House Economic Matters Committee:

The American Clean Power Association (ACP) is the leading voice of today's multi-tech clean energy industry, representing over 800 energy storage, wind, utility-scale solar, green hydrogen and transmission companies. ACP is committed to meeting America's national security, economic and climate goals with fast-growing, low-cost, and reliable domestic power.

HB 1112 would require the Maryland Public Service Commission to consider cost-effective alternatives to reliability-must-run agreements, which are contracts in which utility resources, typically traditional fossil fuels, are compensated to remain on the grid beyond the date which they are set to retire.

Reliability-must-run agreements, while aiming to ensure reliability as new resources are brought online to replace older, more costly energy generation facilities, are not always the best path forward for ensuring reliability.

Energy storage systems are currently a leading technology of choice across the country for enhancing reliability and keeping costs low. In states like Texas and California, energy storage facilities have helped keep the lights on and have helped to reduce energy prices during extreme weather events.

This bill would ensure that the PSC has the ability to explore other cost-effective options for maintaining reliability besides keeping older facilities online past their retirement date – including the deployment and acquisition of energy storage resources. This bill has the opportunity to help ensure reliability in Maryland with clean, renewable resources leading the way. It will keep costs low for ratepayers and will help ensure that the state delivers on its clean energy goals.

Thank you for the opportunity to provide testimony on HB 1112. **American Clean Power Association appreciates your careful consideration of this legislation and respectfully request a favorable report.**

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