



HB 1256 – Distributed Renewable Integration and Vehicle Electrification (DRIVE) Act

House Economic Matters Committee

March 5, 2024

Steve Letendre, PhD, Senior Director of Regulatory Affairs, Fermata Energy

Position: Favorable with Amendment

Mr. Chairman and Honorable Members of the Committee:

On behalf of Fermata Energy, I am writing in support of HB 1256, the Distributed Renewable Integration and Vehicle Electrification (DRIVE) Act with a proposed amendment. This legislation represents nation-leading reforms to promote transportation electrification and Vehicle-to-Grid Technology to enhance grid reliability and community resilience.

Founded in 2010, Fermata Energy is a leading Vehicle-to-Everything (“V2X”) bidirectional charging services provider. Fermata Energy designs, supplies, and operates the technologies required to integrate electric vehicles (“EVs”) into homes, buildings, and the electric grid. Fermata Energy’s V2X platform extends the value of an EV and allows the vehicle to act as a dispatchable energy storage resource when the vehicle is not in use.

Fermata Energy’s customers today are earning thousands of dollars per EV and electric vehicle supply equipment (“EVSE”) through Vehicle-to-Grid (“V2G”) and Vehicle-to-Building (“V2B”) programs nationwide. The company’s bidirectional EV charging system is the first to be certified By UL Solutions in North America to UL 9741, the Standard for Bidirectional EV Charging System Equipment and is the first to earn approval in the U.S. from a major OEM for battery warranty.

EVs Providing Reliability and Resiliency Services

Interest in V2X commercialization is widespread and accelerating. In addition to the launch of the Ford Lightning (EV F-150 pickup truck) Vehicle-to-Home (“V2H”) offering, 2023 saw several EV manufacturers announce plans to make their EVs bidirectional.¹

¹ See Automotive News, GM to offer bidirectional charging on all EVs by 2026 available at <https://www.autonews.com/mobility-report/gm-evs-have-bidirectional-charging-technology-2026> and CleanTechnica, Tesla Plans To Adopt Bi-Directional Charging By 2025 available at <https://cleantechica.com/2023/08/19/tesla-plans-to-adopt-bi-directional-charging-by-2025/>.



Furthermore, several EVSE manufacturers announced plans to bring bidirectional chargers to market, expanding the limited number of bidirectional chargers that are available today.²

The DRIVE Act recognizes the critical role that EVs with bidirectional charging capability can play by providing grid services and community resilience. This bill also recognizes the importance of time-of-use (“TOU”) tariffs to encourage charging during low demand hours. Together, these measures will ensure that Maryland minimizes its investments in the grid infrastructure required to support broad, economy-wide beneficial electrification.

As EV adoption in Maryland accelerates in the coming decade, EVs will represent a large energy storage resource.³ By requiring the Public Service Commission (“PSC”) to adopt regulations to establish an expedited process for the interconnection of EVs to the electric distribution system, Maryland residents will be able to generate significant value from the grid services and community resilience that their EVs can provide.

The DRIVE Act also requires electric companies to develop pilot programs and temporary tariffs to compensate owners and aggregators of distributed energy resources (“DERs”) for the grid services they can provide on a pay-for-performance basis. This ongoing revenue stream serves to reduce the total cost of owning and operating an EV and will spur additional EV adoption.

Proposed Amendment

Fermata Energy encourages state policymakers to ensure parity between stationary storage and V2X. Without access to the same funding programs and revenue streams for stationary storage, V2X will be at a competitive disadvantage. As such, Fermata Energy recommends eliminating (II) SUBSECTION (I) (page 8, lines 3 - 7) of the current draft of HB 1246 to allow EVs and other mobile energy storage devices to count towards the energy storage capacity requirements under the Maryland Energy Storage Program.

For the above reasons, Fermata Energy strongly supports HB 1256. On behalf of Fermata Energy, I respectfully request a favorable vote, with the above friendly amendment, from this Committee.

² See Solar Power World, Bidirectional EV chargers to finally materialize in 2024 available at <https://www.solarpowerworldonline.com/2024/01/bidirectional-ev-chargers-to-finally-materialize-in-2024/>.

³ The power capacity of 1 million EVs is roughly equal to 1 GW of storage, which is equivalent to over half of the power capacity of the two nuclear reactors at Calvert Cliffs Clean Energy Center located in Lusby, MD.