

Thursday, February 29, 2024

TO: Brian Feldman, Chair of the Senate Education, Energy, and the Environment Committee; and
Committee Members

FROM: Mariana Rosales, The Nature Conservancy, Director of Climate; Cait Kerr, The Nature
Conservancy, State Policy Manager

POSITION: Support SB 570 Public Utilities – Thermal Energy Network Systems – Authorization and
Establishment (Working for Accessible Renewable Maryland Thermal Heat (WARMTH) Act)

The Nature Conservancy (TNC) supports SB 570 offered by Senator Hester. This bill is a strategic investment in Maryland's future, particularly in our commitment to promoting equitable access to renewable energy and addressing climate change.

The WARMTH Act provides a unique opportunity to pilot networked geothermal heating and cooling systems, also known as ground-source heat pumps (GHPs), in Maryland. These systems use the ground's temperature to heat or cool buildings, making them highly efficient and reliable. By promoting GHPs' use, the WARMTH Act will contribute to reducing greenhouse gas emissions and help Maryland achieve our climate action goals.

This legislation is designed to ensure that renewable energy benefits are accessible to all Maryland residents, especially those in underserved and low- to moderate-income communities. The bill requires gas companies to work with community organizations, municipalities, and county governments to identify and propose pilot projects to the Public Services Commission (PSC). These pilot projects will prioritize neighborhoods with 80% low- and moderate-income residents, contributing to equitable and just electrification. Networked geothermal creates opportunities for whole communities to benefit from electrification through a single geothermal system, which would connect to heat pumps in individual homes.

The WARMTH Act aligns with Maryland's statutory requirements to reduce greenhouse gas emissions and transition to a net-zero status. Maryland has a statutory requirement under the Climate Solutions Now Act of 2022 to reduce gas emissions to 60% of 2006 levels by 2031 and the state is further required to transition to a net-zero status by 2045. By promoting the use of GHPs, this bill supports Maryland's ambitious climate action plan and helps the state move towards a more sustainable and resilient future.

TNC commends Senator Hester for introducing SB 570, which is a critical step towards achieving Maryland's climate and energy goals, while focusing on equity and access to renewable energy sources for all residents.

Therefore, we urge a favorable report on SB 570.