

February 29, 2024

## **SB0570; HB0397 – Thermal Energy Network systems FAVORABLE WITH AMENDMENTS**

The idea is sound, but the proposed program is too big, too grand. While the concept is theoretically feasible it has not been demonstrated at scale. It should be downsized to a small number of limited scope pilot systems.

Maryland's role should be the deployment of limited scale pilot systems.

Amendment #1 – State the purpose, the program objective.

- Gather data to quantify the cost of Neighborhood Geothermal Heat Pump Networks. The direct cost is turnkey installation. The indirect cost is any additional and incidental cost such as stubborn neighbors and thermal insulation.
- Compare this concept with existing and proposed zero carbon alternatives such as SMR nuclear district heating, micro reactors, biofuel combustion and air source heat pumps...

Amendment #2 – Reduce the scope of the program.

- Two modest systems, one for new construction, one for retrofit.
- Limit Maryland investment, most of the financing subsidy coming from federal sources.

Amendment #3 – Compete Maryland utilities for the two systems.

Amendment #4 – Establish an agency such as MEA of the PSC as a program office. This is too complex to be run by the legislature.

