



# Maryland

## Energy Administration

**TO:** Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee  
**FROM:** MEA  
**SUBJECT:** HB 1338 - Public Utilities - Certificates of Public Convenience and Necessity - Energy Storage Devices  
**DATE:** February 21, 2025

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### **MEA Position: LETTER OF INFORMATION**

This bill would require a certificate of public convenience and necessity (CPCN) from the Public Service Commission before beginning the construction of an energy storage device with a minimum energy storage capacity of 2 megawatts of alternating current. Currently, energy storage projects only require local approval (unless they are part of an energy generation project, where the generation project requires a CPCN).

Maryland has enacted one of the most ambitious GHG reduction standards in the country – a 60% reduction in GHG emissions by 2031 is required by the Climate Solutions Now Act – and storage is a critical component to ensure a clean and reliable energy future. In support of the energy transition, the State also enacted a 3,000-megawatt target for energy storage by the end of 2033 and required the Public Service Commission to develop a cost-effective procurement program.

Through the CPCN process, the State has effectively increased solar proliferation across the state, while safeguarding certain local, environmental, and safety concerns. It is unknown whether introducing energy storage to the CPCN process would help promote or slow energy storage adoption. On one hand, the CPCN process creates local preemption that may overcome nimbyism in certain instances. On the other hand, the CPCN process is an administrative hurdle that can increase the overall cost of projects of this kind.

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](mailto:landon.fahrig@maryland.gov), 410.931.1537).