



Committee: Economic Matters
Testimony on: HB1225 – Affordable Grid Act
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Laurie McGilvray, Co-Chair
Position: Favorable
Hearing Date: February 21, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today on HB1225. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of nearly 30 grassroots and professional organizations urges you to vote favorably on HB1225.

The Climate Justice Wing has supported and continues to support bills to promote renewable energy and electrify buildings and the transportation system to move Maryland toward our greenhouse gas reduction goals in a way that is affordable for ratepayers. We also have come to understand the role a modern and efficient grid plays in these achieving these goals. Unfortunately, much of Maryland's distribution system is old and unable to meet present demands. The good news is that there are cost-effective advanced technologies that can help us get more out of our existing distribution grid while seamlessly integrating renewable sources back into the grid (e.g., small residential solar, batteries, and EVs).

HB1225 represents a comprehensive approach to modernizing Maryland's electric grid using best practices for distribution system planning and modern approaches and technologies that are cost-effective and currently employed by other states or utilities. The bill requires utilities to submit a Distribution System Plan to the Public Service Commission (PSC) for approval every three years. Plans must be available for public comment and utilities must share relevant data to aid stakeholder participation. A Distribution System Plan must include:

- data-sharing between electric and gas utilities to prevent double-counting electricity and gas demand, and to coordinate decarbonization and electrification planning;
- forecasts and scenarios for predicted load and electricity generation capacity;
- an analysis of system constraints that impede incorporation of new technologies and capacity;
- a list of preferred solutions for upgrading the grid and the rationale for those decisions including the use of funds and incentives;
- use of technology innovations to modernize the grid and improve its reliability and resilience;
- a process for coordinating transmission and distribution systems;
- identification of sites having greatest locational value for decarbonization;

- management of capacity to incorporate Distributed Energy Resources (“hosting capacity”); and
- analyses and targets using metrics that will be developed by the PSC.

HB1225 also requires the PSC to review and approve each utilities’ plan, and the PSC can reject a plan if it is not cost-effective, and/or does not minimize costs to ratepayers without compromising distribution grid performance.

Maryland is facing considerable energy challenges and must have a grid for the future. The deployment of advanced technologies and modern grid management practices are critical and the distribution system planning required in HB1225 will create the road map for the future. For these reasons, the MLC Climate Justice Wing respectfully urges a **FAVORABLE** report in Committee.

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Adat Shalom Climate Action

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Climate Parents of Prince George's

Climate Reality Project

ClimateXChange – Rebuild Maryland Coalition

Coming Clean Network, Union of Concerned Scientists

DoTheMostGood Montgomery County

Echotopia

Elders Climate Action

Fix Maryland Rail

Glen Echo Heights Mobilization

Greenbelt Climate Action Network

HoCoClimateAction

IndivisibleHoCoMD

Maryland Legislative Coalition

Mobilize Frederick

Montgomery County Faith Alliance for Climate Solutions

Montgomery Countryside Alliance

Mountain Maryland Movement

Nuclear Information & Resource Service

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Safe & Healthy Playing Fields

Takoma Park Mobilization Environment Committee

The Climate Mobilization MoCo Chapter

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