TESTIMONY OF THOMAS BELLO, EXECUTIVE VICE PRESIDENT
MECHANICAL CONTRACTORS ASSOCIATION OF METROPOLITAN WASHINGTON
(MCAMW)

BEFORE THE SENATE COMMITTEE ON EDUCATION, ENERGY, AND THE ENVIRONMENT, AND THE HOUSE ECONOMIC MATTERS COMMITTEE

IN SUPPORT OF SENATE BILL 716 – THE DECARBONIZATION INFRASTRUCTURE SOLUTIONS ACT OF 2025

Chairs Feldman and Wilson, and members of the Senate Education, Energy and Environment Committee, and the House Economic Matters Committee,

Thank you for the opportunity to provide testimony on behalf of the Mechanical Contractors Association of Metropolitan Washington (MCAMW). As Executive Vice President, I represent 200 mechanical construction contractors, who together employ more than 10,000 skilled tradespeople and 1,000 apprentices across Maryland, Virginia, and the District of Columbia. Our association is deeply embedded in Maryland's economy, partnering with local unions, hiring halls, and apprenticeship training centers affiliated with the Mid-Atlantic Pipe Trades Association, alongside our broader Building Trades affiliates who operate additional hiring halls and training programs throughout the state.

The mechanical contracting industry is a critical pillar of Maryland's infrastructure, supporting everything from energy facilities and commercial buildings to industrial plants and high-tech manufacturing. Collectively, our contractors and workforce generate approximately $2 billion in annual economic activity and contribute $500 million in tax revenue to state, federal, and local governments each year.

The Role of Mechanical Contractors in Maryland's Energy and Infrastructure Future

As an industry that designs, builds, and maintains the essential energy infrastructure that powers Maryland, we have a unique perspective on what is needed to ensure long-term energy security, affordability, and workforce stability. Our contractors and workforce

have decades of experience constructing, modernizing, and maintaining power plants, industrial piping systems, heating and cooling networks, and advanced energy systems.

Decarbonization and energy reliability must go hand in hand. The state's transition to clean energy cannot come at the cost of grid reliability, affordability, or job security. Any energy policy must account for:

- Firm, Dispatchable Power – Renewable energy sources like wind and solar are vital but cannot operate without reliable backup. Mechanical contractors have built and maintained both traditional and advanced energy facilities, and we know that firm generation sources—especially nuclear—must be part of Maryland's energy mix to prevent grid instability.
- Scalable Infrastructure Solutions – Mechanical contractors have extensive expertise in constructing large-scale industrial energy facilities, including power plants, combined heat and power systems, district energy networks, and emerging technologies like Small Modular Reactors (SMRs). The state must invest in proven, scalable solutions rather than speculative energy models.
- A Stable, Skilled Workforce – The transition to a cleaner energy future must preserve and grow union careers. Our workforce includes highly trained professionals in pipefitting, welding, HVAC, and energy systems, ensuring that Maryland has the expertise to build and maintain the next generation of energy infrastructure.

Without carefully planned policies that balance decarbonization with reliability and workforce protection, Maryland risks rising energy costs, job displacement, and inadequate infrastructure to meet demand.

Market-Driven Policy vs. Government Procurement: Why Maryland Must Choose the Right Path

There are two fundamental approaches to expanding clean, firm power generation:

1. A market-driven framework that integrates firm energy into Maryland's existing Renewable Portfolio Standard (RPS)
2. A government-controlled procurement model that relies on mandated surcharges and regulatory intervention

A market-driven approach, which aligns with Senate Bill 716, is the best way to ensure nuclear and other clean firm power sources compete fairly and efficiently alongside renewables. This structure:

- Incentivizes private investment, allowing utilities to purchase Certified Nuclear Renewable Energy Credits (NRECs) in a competitive marketplace.

- Minimizes ratepayer impact by ensuring nuclear generation develops at the lowest possible cost rather than through a predetermined, state-directed procurement process.
- Accelerates deployment by reducing bureaucratic obstacles that often slow down large-scale energy projects.

By contrast, a state-directed procurement model, such as the one proposed in HB 1035 / SB 937, introduces significant cost risks and unnecessary regulatory delays by:

- Imposing a nonbypassable surcharge on ratepayers, increasing monthly utility bills.
- Centralizing decision-making under government agencies, creating uncertainty and discouraging private investment.
- Mandating nuclear procurement on a rigid timeline, rather than allowing projects to develop in response to market needs and investor confidence.

The government procurement model is unnecessarily restrictive, while an RPS-integrated approach ensures financial flexibility, economic competitiveness, and energy security.

Energy Investment as an Economic and Workforce Driver

Maryland's energy policy decisions will determine not only the cost and reliability of electricity but also the future of its skilled workforce.

Investing in modern energy infrastructure, including nuclear expansion and new-generation technologies, is one of the most effective ways to create long-term, high-paying jobs. The mechanical contracting industry plays a central role in:

- Constructing and upgrading power generation facilities, ensuring Maryland's grid can handle future demand.
- Maintaining complex energy systems, including industrial heating, cooling, and process piping.
- Training the next generation of tradespeople through registered apprenticeships, preparing Maryland workers for decades of career stability.

A market-driven policy that supports union labor protections, prevailing wages, and apprenticeship programs will maximize economic benefits for Maryland's workforce and communities.

Conclusion

Maryland faces a critical energy policy decision—one that will shape the state's grid reliability, economic stability, and workforce opportunities for decades to come. The Mechanical Contractors Association of Metropolitan Washington urges the Committee to:

- Adopt a market-driven approach to clean energy investment that expands firm, dispatchable generation while maintaining cost efficiency.
- Ensure that nuclear energy and other firm power sources are integrated into the Renewable Portfolio Standard (RPS) rather than managed through a state-directed procurement model.
- Support policies that uphold union labor standards, sustain Maryland's high-wage skilled workforce, and prioritize apprenticeship and workforce development.

For these reasons, we respectfully urge the Committee to support Senate Bill 716 and reject the restrictive procurement-based approach in HB 1035 / SB 937.

Thank you for your time and consideration. I am happy to answer any questions.

Tom Bello
Executive Vice President
Mechanical Contractors Association of Metropolitan Washington (MCAMW)