



October 16, 2023

VIA ELECTRONIC MAIL

Susan Casey
Maryland Department of the Environment
1800 Washington Blvd.
Baltimore, Maryland 21230
Susan.casey1@maryland.gov

Re: Solicitation of Comments on Greenhouse Gas Reduction Policies for Maryland Climate Plan Pathways Report

Dear Ms. Casey:

Advanced Energy United (United) submits these comments in response to the Notice from the Maryland Department of the Environment, soliciting comments on policy recommendations regarding greenhouse gas reductions to inform the State's Climate Plan and Pathways Report to be released by the end of the year.

Respectfully Submitted,

/s/ Nicholas Bibby

Nicholas Bibby
Principal and Maryland State Lead
Advanced Energy United

**COMMENTS TO STATE OF MARYLAND
DEPARTMENT OF THE ENVIRONMENT**

October 16, 2023

**Comments of Advanced Energy United on Policy Recommendations for Reducing
Greenhouse Gas Emissions as Set Forth in the Climate Solutions Now Act of 2022**

Introduction

Advanced Energy United ('United') is a national business association representing the full spectrum of advanced and clean energy companies and technologies, including wind, solar, energy efficiency, electric vehicles, transmission, and more. United works to educate, engage, and advocate for policies in Maryland and nationwide that allow our member companies to compete to repower our economy with 100% clean energy. The businesses we represent are creating millions of new jobs, lowering consumer costs, and providing the full range of clean, efficient, and reliable energy and transportation solutions. In the State of Maryland alone, 81,300 people were employed in the clean and advanced energy industry as of 2021.

United and our member companies commend the actions taken by the State of Maryland in advancing clean energy initiatives – notably the Climate Solutions Now Act of 2022, the Clean Energy Jobs Act of 2019, and most recently, the Promoting Offshore Wind Energy Resources (POWER) Act of 2023. Through the following recommendations, United maintained several key principles important to our members and broader industry, including helping advanced energy companies deploy their innovative solutions, remaining unbiased to any one specific technology or business model, and striving for cost-effectiveness.



Transmission

This past year, United and our industry strongly supported passage of the POWER Act. United was highly supportive, specifically, of the POWER Act calling on the Maryland Public Service Commission (PSC) and the Maryland Energy Administration (MEA) to request that PJM Interconnection (PJM) conduct a study of necessary transmission system upgrades and expansion options, needed for advancing offshore wind and other renewable energy sources. Additionally, United supported the Act calling on the PSC to issue, or request that PJM issue, competitive bids for transmission and select proposals to build transmission by 2027. All of this in concert will help ensure that Maryland’s transmission system continues to be strengthened and expanded, which will support the integration of renewable resources on the state’s grid.

While the POWER Act made strong strides in the field of transmission, there are several actions that United would recommend to the Maryland Department of the Environment (MDE) and other relevant state agencies to continue this progress on transmission. Most notably, Maryland should consider increasing staffing and resources dedicated specifically to addressing transmission planning and implementation, both within the State and in regional coordination with neighboring states, like New Jersey. One potential option could be the creation of an “Office of Transmission, Interconnection & Siting”, either as an independent agency or within MEA.

Additionally, United recommends that the state consider incorporating Grid Enhancing Technologies (GETs), like dynamic line rating (DLR), power flow controls, or advanced reconductoring, in transmission planning processes. GETs will help Maryland get more out of



existing transmission systems in the state, while improving the reliability of the grid by increasing capacity and flexibility, all while allowing for better integration of renewable resources.

Finally, Maryland should actively participate in PJM stakeholder discussions to discuss interconnection issues that the state is facing, and contribute to the development of policies, guidelines, procedures, processes, and regulations that impact the state. Maryland should also consider playing a more active role in the development and implementation of PJM's Regional Transmission Expansion Plan (RTEP), which identifies transmission system additions and improvements needed to maintain grid reliability and efficiency.

Future of Gas

The Climate Solutions Now Act of 2022 put forward several foundational steps to transition Maryland's building environment towards cleaner resources and away from traditional fossil fuels. United believes that Maryland's transition away from natural gas systems will be ultimately good for the environment, good for jobs, and good for consumers. This transition will have significant implications for natural gas and electric systems and must be managed proactively to prevent adverse grid and ratepayer impacts. Failure to undertake this planning could exacerbate the energy burdens of vulnerable communities and has the potential to lock Maryland into years of use of fossil fuel resources.

United recommends that Maryland develop programs and planning processes to mitigate the impact of and prepare the electric system for new electric load, as more buildings electrify and turn away from natural gas. This could come in the form of demand flexibility



programs such as those that encourage pre-heating and cooling at off-peak times, linking appliance and/or efficiency incentives with time-varying rates and programs, offering compensation for reducing demand during critical periods, and leveraging water heaters as energy storage. Additionally, United recommends that Maryland consider adopting processes to evaluate and pursue non-pipeline alternatives via their gas infrastructure planning work. These solutions may include gas demand response programs, energy efficiency, or zonal electrification.

Transportation Electrification

As transportation electrification will be a critical component in meeting the state's greenhouse gas reduction targets, and consumer demand and automakers' commitments to electrify their fleets will ensure the number of electric vehicles (EVs) on the road in Maryland grows exponentially in the coming years, United has several recommendations for MDE and other relevant agencies to consider in the final development of the Climate Pathways Report.

First, United recommends that Maryland state agencies, including MDE, the PSC, and the Maryland Department of Transportation (MDOT) work with the state's utilities and relevant third parties to identify priority geographic areas that are likely to experience grid constraints as a result of transportation electrification. From there, these agencies should develop proactive policies to avoid unnecessary delays in permitting, interconnection, and energization timelines, which could include utility business model reforms to allow for the proactive building of additional required capacity. Additionally, the state's relevant agencies and utilities should forecast for total charging capacity required through at least 2040. This will enable



utilities and third parties to start planning for and building out charging infrastructure and grid upgrades to better prepare for the state's transition to electric transportation.

United also recommends that the PSC, MDE, and other relevant agencies should engage with utilities and other third parties in transportation electrification planning to address current needs for the state's transition to electric transportation. This planning could include requiring utilities to have detailed plans that account for the forecasted increase in electricity demand due to EVs, the rates that will be charged to their customers, and details on how utilities will be able to recover costs for EV-transition-related investments.

Finally, United recommends that the state adopt policies that advance fleet and school bus electrification via a three-pronged approach to assisting school districts that are looking to electrify their bus fleets. First, Maryland should consider providing direct financial assistance to school districts and their relevant contractors via state appropriations. Second, the state should consider enacting, via regulation, the extension of lease term timelines for electric school buses, allowing districts to better realize the net financial benefits of electrification. Finally, Maryland should consider providing technical assistance to school districts and their contractors to not only help them navigate potential state and federal funding for fleet electrification, but to also introduce them to electric school bus technologies and systems.

Conclusion

We appreciate the Maryland Department of Environment's attention to this matter relating to the reduction of greenhouse gases throughout the state. We respectfully request MDE consider our comments and recommendations in its deliberations.

