

Testimony for House Bill 31: Maryland Energy Administration – Resiliency Hub Grant Program and Fund

We greatly appreciate the opportunity to provide testimony in support of this legislation that would support and expand energy resiliency in under-resourced communities.

Groundswell is a 501c3 nonprofit organization whose mission is building community power. Groundswell develops and implements clean energy programs that reduce household energy burdens, delivers comprehensive customer enrollment and support programs, and leads pioneering research and demonstration projects. We connect the value of our work to the values of the communities we serve by partnering with local woman-and minority led businesses and training and hiring from within local communities. Groundswell is currently leading equity-focused solar, resilience, and energy efficiency projects and programs in six states that are serving more than 5,500 low- and moderate-income households with more than \$2.75 million per year in energy savings.

Resiliency Hubs serve as a space where vulnerable and displaced neighbors can gather in the event and aftermath of a citywide or heightened localized emergency; access reliable power for their essential devices; receive supplies, food, and drinking water; charge their devices; and store temperature-sensitive medications, among other things. Bringing energy resilience to our most vulnerable communities means that local heating and cooling centers can operate when people's homes may not have power or sufficient air conditioning or heating and that cafeterias can operate in schools where many students qualify for free or reduced meals.

The U.S. Census Bureau has recognized the growing need for understanding resilience across communities, and recently released its 2019 Community Resilience Estimates (CRE)--an easily understood metric for how at-risk every neighborhood in the United States is to the impacts of disasters, with a particular focus on social vulnerability and equity.

Equipping community resiliency hubs with solar power and battery back-up capabilities has numerous benefits such as: increasing access to renewable energy and critical back-up power in climate-vulnerable, low to moderate income (LMI) communities; mitigating risk to vulnerable communities and displaced individuals; reducing utility cost burdens; and providing community training and workforce development opportunities.

Groundswell is actively developing several projects here in Maryland that improve resilience by incorporating energy storage. Groundswell has been closely involved with the development of Baltimore City's Community Resiliency Hub Program for five years. Following our initial work helping install solar and battery storage equipment at two pilot resiliency hub sites situated in low-income Baltimore neighborhoods, Groundswell was a prime grantee for one of MEA's fiscal

year 2020 (“FY20”) Resilient Maryland Program grants for site screening, feasibility analysis, planning, and design in support of the Baltimore City Community Resiliency Hub Program. Through this work, we are laying the groundwork for up to 20 additional resiliency hub sites across the City.

Three prospective Resiliency Hubs in Baltimore have received additional incentives for solar and battery procurement and installation under MEA’s FY21 Resiliency Hub Grant Program. Collectively, these three sites represent nearly 350 kW of solar capacity, and the battery systems are each sized to provide at least a 50% probability of lasting 3 full days. We anticipate that each site will enjoy electricity cost savings of 15-20% per year for 20 years, enabling each organization to redirect a sizable portion of its utility budget to its community-facing programs.

MEA’s grant program fills a critical gap in the financing of these projects. Solar and battery installations on their own do not generate a positive financial return without the MEA incentives, so the program is critical for attracting additional capital to the marketplace and getting these projects off the ground. MEA’s sustained commitment over multiple years to funding resilience in multiple grant cycles has been of critical importance and has made Baltimore a national leader in community resilience centers.

There is clearly *societal* and *direct human* value in empowering community-based organizations to continue providing services even when the local electrical grid goes down, but this value of resiliency is largely ignored by current policy and market-based incentives. Thus, despite the clear and widely acknowledged benefits of such energy resiliency, these solar and storage projects are not yet economically viable in Maryland without public funds to encourage and leverage private capital. Furthermore, communities that have been impacted by under-resourcing, disinvestment, and prior redlining need reparative investments, as facilities and entire neighborhoods may require additional support—for expenses such roof repairs, electrical upgrades, and higher interconnection costs—to enable them to host solar and storage installations and serve as resiliency hubs.

In MEA’s FY22 Resiliency Hub Grant program we noted a 50% *decrease* in the availability of overall program funds—a trend that runs counter to the increasing interest within policy and philanthropic circles in energy resiliency, not to mention the ever-growing demand for (and potential benefits of) resiliency services within under-resourced communities. Offering such funds in perpetuity, as proposed by this legislation, will encourage additional entities to develop these critical projects and will help attract private capital. Ultimately, the more resiliency hubs that exist, the greater the potential for a true *network* of hubs that can aggregate their solar and battery resources into a virtual power plant (VPP) for grid reliability and demand response services.

We also applaud the bill's commitment to building a strong and diverse workforce, which will help ensure that the potential community benefits of these projects are fully realized. Groundswell is committed to advancing diversity, equity, and workforce development opportunities within the clean energy industry. Our development and installation partners in Baltimore—SunCatch Energy, a Black-owned solar and battery installation company, and AF Mensah, a Black-owned supplier of hardware, controls, and O&M services for battery installations—have conducted a number of workshops and trainings associated with our projects.

In conclusion, we support this bill as it will enhance the resilience and adaptability of neighborhoods across the state of Maryland, particularly in under-resourced areas that are among the least resilient parts of the state and where this kind of community-supporting infrastructure is most critically needed. It would also enable demonstration of state-supported, community-led planning models for other cities, states, and regions that are engaged in resilience planning.

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