



**Comments of Clean Energy Group on the 2021 – 2023 EmPOWER Maryland Program
to the MEEA - Future Programming Working Group - Case No. 9648
May 19, 2021**

Clean Energy Group (CEG), a national nonprofit working to promote clean energy policies, would like to submit information about a specific energy efficiency model that can be used to reduce peak electricity demand while bringing cost savings and energy resilience benefits to Maryland's ratepayers, including limited-income households. This model, called "ConnectedSolutions," has been successfully implemented in several northeastern states, where CEG provided analysis and advocacy for its adoption. CEG believes it can be successfully adopted in Maryland as well.

We understand that the working group has been working on "what" the goals should be regarding the EmPower Maryland program. ConnectedSolutions is a model for "how" those goals might be met.

Brief description: ConnectedSolutions is essentially a funding mechanism for deploying behind-the-meter (BTM) battery storage and harnessing that storage in aggregate to address regional peak demand and other grid needs. It works like this:

1. Battery storage is incorporated into the state's energy efficiency plan as a peak load reducing measure (it can be combined with other load-reducing measures such as thermostat controls).
2. Customers purchase or lease batteries for their homes and commercial facilities. Through the state's energy efficiency program, customers can qualify for a performance payment and favorable financing (in some states a rebate is also offered, particularly for LMI customers).
3. Customers contract with their utility to allow their BTM batteries to be dispatched in aggregate during regional peak demand hours. These are multi-year contracts, which helps to de-risk energy storage investment by providing a predictable revenue stream over time.
4. Utilities pay customers for their battery performance during peak hours. Utilities pay only for the peak load reduction that customers provide. During non-peak times, customers are free to use their batteries for other purposes. During grid outages, customers receive a resilience benefit by using their batteries to self-supply with electricity.
5. This program can be accessed by third-party installers and aggregators who market it to their customers, provide alternate financing, etc.
6. The program works to create a "virtual power plant" that utilities call upon during peak demand times for load reduction and (in some states) power export for grid stability.

This basic program outline is explained and expanded upon in CEG's recent report, "ConnectedSolutions: A New State Funding Mechanism to Make Battery Storage Accessible to All" (attached and available at <https://www.cesa.org/resource-library/resource/connected-solutions-policy>). More information is available at our website, www.cleanenergygroup.org, or see these linked resources: <https://www.cesa.org/resource-library> and <https://www.cesa.org/webinars-events>.

The advantages of this program include increasing customer/community resilience and energy cost savings; lowering costs for all ratepayers through regional peak demand management; funding

distributed energy storage; and democratizing clean energy technology by making it available to all ratepayers, regardless of location, type of facility, or type of utility tariff.

CEG looks forward to sharing more information and learning more about the process in Maryland. We would be happy to provide additional information or answer any questions about the ConnectedSolutions model.

Respectfully submitted,



Todd Olinsky-Paul
Senior Project Director
Clean Energy Group
Todd@cleanegroup.org
www.cleanegroup.org