

# Grid Reliability and Inclusive Distribution Act (HB88)

*Energy Distribution Planning and Required Labor Standards (Del. Charkoudian)*

With federal infrastructure funds coming to Maryland, we have a once-in-a-generation opportunity for grid investments that will help us meet our state goals!

The Distribution System is the part of the energy grid that the State regulates through the Public Service Commission (PSC). How the Distribution Grid is planned will not only determine how reliable and resilient our energy system is, but also whether we can reach our clean energy and greenhouse gas reduction goals.

**The PSC is starting a Distribution System Planning process. The GRID Act supports this work by:**

- Explicitly defining the state goals to be met by the planning process
- Harnessing federal funding to support grid investments needed to meet our goals
- Ensuring transparency and engagement by establishing a stakeholder workgroup
- Directing investments in the grid to create family-sustaining jobs.

## The Grid Reliability and Inclusive Distribution (GRID) Act: Specifics

The GRID Act aims to ensure the Distribution System planning process is done in an equitable way and will produce the reliable, just, future-oriented energy infrastructure that we want. The GRID Act:

- Requires the planning process to **support state goals** of decarbonization, greenhouse gas reductions, renewable energy, equity, family-sustaining employment, resiliency and reliability, and cost-effectiveness.
- **Assures participation of key stakeholders** by requiring the PSC to form and staff a Distribution System Planning workgroup that includes representation from energy stakeholders including residential customers, low-income communities, environmental advocacy groups, labor unions, and industry experts in electric vehicles, distributed energy resources, and distribution planning.
- Creates **transparency and accountability** by requiring an annual report from the workgroup about the Distribution System Planning process and adopting appropriate regulations for implementation.
- **Supports family-sustaining jobs** by requiring all Distribution Grid projects to:
  - Offer the area prevailing wage, health care, and retirement benefits for each trade employed;
  - Participate in apprenticeship programs registered with the state for the trade;
  - Develop a plan to recruit and retain state residents, including returning citizens, women, minority individuals, and veterans.

**What have other states done?** States nationwide are prioritizing grid modernization while increasing renewable energy goals, adjusting to climate threats, and planning for a future with increasing electricity needs. An increasing number of state legislatures are requiring their public service commissions, in the utility planning processes, to support state climate goals, expansion of distributed energy resources (solar, storage, wind), a public participatory process, transparency of data, local labor, safety, reliability, and equity. Illinois,<sup>1</sup> New York,<sup>2</sup> Colorado,<sup>3</sup> California,<sup>4</sup> and Nevada,<sup>5</sup> among others, have all used legislation to set clear parameters for the Distribution Planning Process.

**By passing the GRID Act, we can ensure that Maryland builds an energy grid ready for the future!**

Endorsed by:



<sup>1</sup>Illinois General Assembly, Illinois Climate and Equitable Jobs Act of 2021, Passed enacted 15, September, 2021.

<sup>2</sup>New York State Public Service Commission, New York State Standardized Interconnection Requirements, March, 2021.

<sup>3</sup>Colorado C.R.S. §§40-2-132, 40-2-133 and SB 2612021

<sup>4</sup>California Public Utilities Commission, Order Instituting Rulemaking to Modernize the Electric Grid for A High Distributed Energy Resources (DER) Future. 2. July, 2021.

<sup>5</sup>N.R.S. 704.741-746